

The NATIONAL UNDERWRITER

Life Insurance Edition



DO YOU HAVE THE LATEST WORD?

Less modestly we might call it the "last word" in demonstrating why brokers traditionally rank New England Life among their top choices.

New England Life premium rates on Ordinary Life policies of \$5,000 minimum have been reduced effective November 1, 1955. So have the rates of several term policies.

Along with this good news comes the announce-

ment that the dividend allotment for 1956 will establish the same net cost for Ordinary Life policies of \$5,000 minimum in force before November 1, 1955 as for the new policies.

Low net cost is not new to New England Life. We've always been competitive cost-wise. Also, the broad liberality of our contract is unexcelled, and our agency service competent and conscientious.

NEW ENGLAND
Mutual **LIFE** Insurance Company
BOSTON, MASSACHUSETTS

THE COMPANY THAT FOUNDED MUTUAL LIFE INSURANCE IN AMERICA—1835

FRIDAY, MARCH 16, 1956

A Billion, 240 Million Life Insurance in Force



FINANCIAL STATEMENT AS OF DEC. 31, 1955

<i>Assets</i>	<i>PER CENT</i>	<i>AMOUNT</i>
U. S. Government Securities	7.72	\$ 9,666,790.26
State, County and Municipal Bonds	11.02	13,789,859.15
Railroads	1.27	1,591,541.14
Public Utilities	17.96	22,472,000.70
Industrial and Miscellaneous	4.44	5,555,260.62
Stocks	3.26	4,075,699.00
Mortgages (First Liens)	44.37	55,533,245.78
Real Estate:		
Offices (Including Branches)	3.36	4,210,477.50
Investment	1.28	1,604,700.70
Policy Loans	1.16	1,449,632.87
Cash	1.63	2,040,082.21
Interest and Rents Due and Accrued . . . . .	.55	690,811.71
Premiums in Course of Collection (Net)	1.97	2,461,792.94
Miscellaneous Assets . . . . .	.01	8,007.97
<i>Total Assets</i>	<u>100.00</u>	<u>\$125,149,902.55</u>

Liabilities and Surplus

Policy Reserves	\$ 97,345,869.40
Claims in Process of Settlement	457,577.16
Reserve for Unreported Claims	184,099.81
Premiums and Interest Paid in Advance	975,421.01
Estimated Amount Due and Accrued for Taxes	1,103,447.97
Reserve for Pensions	8,007,190.18
Agents' Bonds—Reserve and Interest	527,977.50
Security Valuation Reserve	905,473.38
Miscellaneous Liabilities	928,690.94
<i>Total Liabilities Except Capital</i>	<u>\$110,435,747.35</u>
Capital and Surplus Funds for further protection of Policyholders:	
Capital	\$ 7,000,000.00
Unassigned Surplus Funds	7,714,155.20
<i>Capital and Surplus</i>	<u>\$ 14,714,155.20</u>
<i>Total.</i>	<u>\$125,149,902.55</u>

Entering 1956, Life of Georgia has posted a new high in protection for its policyholders throughout the South—a billion, 240 million dollars of life insurance in force. This was a gain of more than 100 million in one year—a fine achievement by our agency force. Life of Georgia looks ahead to a continuing program of expansion—new facilities, broader life insurance plans, increased services.

HIGHLIGHTS

From Annual Statement as of December 31, 1955

LIFE INSURANCE IN FORCE	\$ 1,242,519,955
Gain of \$102,085,411 in one year	
ASSETS	\$ 125,149,902
Increase of \$15,378,297 over 1954	
PAID POLICYHOLDERS AND BENEFICIARIES	\$ 12,480,749
LIABILITIES	\$ 110,435,747
Liabilities include policy reserves	
SURPLUS FUNDS AND CAPITAL	\$ 14,714,155

**LIFE Insurance Company
of GEORGIA**
INSURES THE SOUTH • SINCE 1891
HOME OFFICE ATLANTA

The NATIONAL UNDERWRITER

The National Weekly Newspaper of Life Insurance

60th Year, No. 11
March 16, 1956

Sees Lush Market for Small Insurers in Booming Suburbs

Zimmerman Tells Benefits of Opening Scratch Agencies in Growing Areas Near Cities

Convinced of an expanding market created by the continuing growth of the country, especially in the suburban areas, Charles Zimmerman, LIAMA managing director, gave 16 reasons why he thinks it's good for insurers, especially the smaller companies, to start scratch agencies in the suburbs.



C. J. Zimmerman

Speaking at the agency management conference of LIAMA at Chicago, Mr. Zimmerman foresaw, through opening of autonomous sales agencies in the suburbs, an opportunity for the development of the additional management and manpower needed in the industry.

Mr. Zimmerman said that there are a number of factors, both pro and con, as to whether subagencies or autonomous sales agencies should be established, but explained that the only possible course of adding new agency outlets for some of the smaller com-

William R. Davis III, director of field services of Commonwealth Life, was elected chairman of LIAMA's agency management conference at the meeting at Chicago this week. He succeeds Lee Cannon, vice-president of Western Life of Montana.

Named to the committee were Glen Wallace, vice-president of Great American Reserve; John P. Furey, vice-president of Beneficial Standard, and Kenneth Mullins, vice-president of Washington National. Attendance of nearly 300 set a new record for the spring meeting. More than 30 presidents of companies attended, also a new high.

panies represented in the membership of AMC is to establish autonomous sales agencies.

The large companies will in many instances adopt a program of establishing subagencies in the smaller communities, he said, explaining that general agency companies operating in New York state find that this is the most feasible program of agency expansion in view of limitations presently imposed by New York state law upon opening of new scratch agencies.

Advantages of starting scratch agencies, as outlined by Mr. Zimmerman, are:

1. Good agency leaders enjoy being their own bosses.
2. A man running his own show is inclined to work harder for less money.

(CONTINUED ON PAGE 32)

President Signs Life Company Tax Bill; Levy Is \$248 Million

WASHINGTON—President Eisenhower has signed H.R. 7201, the Mills-Curtin life company income tax bill.

The measure, valid for one year only, will levy an aggregate tax on life insurers on their 1955 business of about \$248 million, according to the Senate finance committee. This compares with the committee's estimate of \$220 million for the bill in the form it passed the House and \$197 million under the 6½% tax that has been in effect.

If no law had been enacted at this session, the tax would have been on the basis of the 1942 law. That would have caused the companies to pay about \$274 million, according to the House ways and means committee. The ways and means committee estimate for H.R. 7201 in the version passed by the House was \$215 million and its estimate of the tax under the 6½% law was \$189 million.

The bill as finally passed provides that special tax treatment accorded to newly organized life insurance companies will be extended to cover a period of nine years instead of four years, as in the bill reported by the Senate finance committee.

Because of the late passage of the legislation by Congress, income tax returns for life insurance companies have not been completed as yet by the internal revenue service and will not be available for filing when the company taxes are due on March 15.

Each company, however, is permitted to file Form 7004 with the internal revenue service. This will assure that the companies will automatically be granted an extension of time for filing final tax returns when the return forms are available. In filing Form 7004, companies are expected to pay at least the first installment of estimated taxes due.

A joint special bulletin addressed to member companies by the American Life Convention and the Life Insurance Assn. of America states:

"To the extent that the estimated

(CONTINUED ON PAGE 30)

Eye Alternatives to Objectionable Points in Pending SS Bill

WASHINGTON—Indications from various quarters that the social security bill's highly controversial proposals to lower the retirement age for women and start disability payments at age 50 have stirred interest in what alternatives might be substituted as something for members of Congress to point to in their campaigns for reelection.

Some of these are:

1. Raising the minimum social security payments. This was proposed by Chairman M. A. Linton of Provident Mutual Life. It would not be very costly and from a life insurance standpoint appears to be innocuous.

2. The proposal made by Albert C. Adams, John Hancock, Philadelphia, secretary of National Assn. of Life Underwriters and chairman of its social security committee, that when a retiring worker's spouse is below age 65 they be permitted to take a joint and survivor annuity at a lower rate that would be the actuarial equivalent of the amount that would otherwise be payable when the younger spouse reaches age 65.

3. A similar proposal by Sen. Douglas that would also boost benefits for persons retiring at ages older than 65.

4. Proposals by Sen. Long and others that the federal government increase the amounts it pays the states in matching their outlays under the old-age assistance program.

5. The administration bill, S. 3139, to increase federal grants to the states for medical care of recipients of public assistance. This proposal is particularly objectionable to the insurance business.

N. W. Mutual in Force Goes Over \$8 Billion

Northwestern Mutual Life last week passed the \$8 billion mark in ordinary life in force. It is only the sixth company to reach that figure, according to Edmund Fitzgerald, president.

The company attained its first billion in 1909, and it took 11 years to reach the second billion. It took only 3½ years to go from \$6 billion to \$7 billion, and only two years and nine months to hit \$8 billion.



At LIAMA's agency management conference in Chicago: Charles H. Heyl, vice-president Bankers Life of Nebraska; Charles E. Sherer, vice-president Midland Mutual; Chester O. Sullivan, president Midland Mutual, and Brice F. McEuen, vice-president Lamar Life. Messrs. Sullivan and Sherer spoke at the opening session.

Oppose N.J. Plan to Cut or Ban A&S House Confinement

N. J. Says Buyer Can't Comprehend Restrictions in Advance of Claim

TRENTON—Spokesmen for agents and companies voiced their opposition to proposals by the New Jersey department to reduce or eliminate house confinement provisions in accident and sickness insurance policies at a 3-hour hearing in the state house annex here.

Commissioner Howell, who presided, at the conclusion of the session invited those interested to file statements or comments on the proposed new rules. He said at the outset that the department believed a workable solution to the problem could be found. The problem, the department indicated, is failure of the buyer to understand fully the restrictions imposed on claims by confinement provisions.

No decisions were made at the hearing. The department expects to bring the entire matter to the attention of the A&S committee of National Assn. of Insurance Commissioners at an early date.

John P. Hanna, managing director of H&A Underwriters Conference, said he had contacted a number of companies on the problem and would summarize their views. He was the lead-off speaker.

The companies concurred in proposed rule 3, he said. This rule states that "the use of the requirement of necessary and continuous confinement as a criterion of disability will not be permitted in connection with loss of time benefits (accidents)." Few, if any, companies use this provision in their policies.

The companies found no fault with the fourth rule, except for the last sentence, Mr. Hanna added. This rule concerns all industrial A&S policies providing loss of time benefits. The sentence reads that "provisions under which confinement to bed is also required will not be permitted under any circumstances."

But the consensus of the companies was that they disagreed with the solutions proposed in rules 1 and 2, Mr. Hanna said.

Rule 1, referring to policies which provide loss of time benefits for life due to sickness, states: "The use of the requirement of necessary and continuous confinement as a criterion of disability will be permitted up to a maximum of the six months' period immediately following the onset of the sickness causing disability if the policy also provides loss of time benefits which are not contingent on compliance with house confinement requirements for any minimum period of time. Such non-confining benefits should be payable to a totally disabled claimant

(CONTINUED ON PAGE 24)

THE TRUE SECURITY'

Mutual Benefit Life's 'Mass Selling of Ordinary' Gets Off to Fast Start

By ROBERT B. MITCHELL

Mutual Benefit Life's new program for mass selling of ordinary, which was summarized in last week's issue, is an ingenious and professionally skilled job of doing good for employers and at the same time doing good for the agents.

The plan helps the employer solve his pressing problem of developing initiative and leadership among his supervisory personnel. And, seemingly incidentally, it allows the agent to talk to a roomful of men and women who have their feet on the first rung of the management ladder, who need sound financial advice, and who, almost without exception, need substantial additional life insurance.

At first blush, the program might seem to give the employer the lion's share of the benefit, with the value to the agent pretty speculative. However, there has been enough field testing to show that while there is plenty of attraction for the employer, there is also plenty for the agent to gain in promoting the plan and participating in it.

The "nest" system of prospecting has long been known as one of the very best. Even without an aid like the Mutual Benefit program, an agent who has a good "in" with a corporation may find himself writing the bulk of his business at a couple of such spots. He may start off by knowing one of the key people in the organization but from there on it is pretty much up to him to spread out his operations through the rest of the company. But he is largely dependent on his own personal charm, and building a reputation for doing a good job. It may take a long time to get on the kind of basis where he gains general recognition as the semi-official insurance expert around the place.

The Mutual Benefit program, in effect, aims at building almost overnight the kind of relationship that the best type of "nest" prospecting plan may require years to achieve. Instead of having to convince the management that he is a right guy who should be allowed access to the employees, the Mutual Benefit agent using this new plan is offering the management a program of obvious value, for the development of leadership and initiative among supervisory personnel is widely recognized as a top-priority problem.

It is not particularly surprising that this should be so, for with all the emphasis there has been on the social responsibility of government, on what the employer owes the employee, and the high level of prosperity that has intensified the competition for men with managerial aptitude, the old-fashioned Horatio Alger spirit of getting ahead strictly through one's own efforts has tended to die out.

Anybody who shows an employer a well-conceived, professionally put together program designed to help him solve this pressing problem is as welcome as a sure-fire system for selecting successful new agents would be

to a life insurance manager or home office.

Everything about the Mutual Benefit's program makes it impressive to the employer whom the agent approaches. There is an inch-thick manual for the guidance of conference leaders to use in the lecture series that the program embodies. The company is making available to its general agents at cost a fine sound-movie projector so that an agent can show the program's movies to the employer. In fact, the projector is so constructed that the picture can be shown without setting up the usual screen.

The 31-minute movie to be shown at the introductory conference is a professional job all the way through—professional actors, script writer, director, and producer. This movie, titled *The Time Is Now*, portrays the emotional struggle that its hero goes through in trying to decide whether to take a job that will step him up from his present supervisory level or stick with the job that he knows and which seems to have a lot of safety and security to it.

It might seem hard to believe that anyone in his senses would have to go through any great amount of soul-searching about accepting a better job, but apparently there are many men who are so security-minded that they are reluctant to take on added responsibilities for fear they may not be able to handle them. It is precisely

this attitude that management is having so much trouble coping with and the movie makes its hero's plight quite believable.

Of course, he winds up by making the onward-and-upward decision, but not until the movie, in a series of flash-backs, shows the incidents by which he learned the lessons of self-respect, respect for others, teamwork, integrity, planning for tomorrow, and individual responsibility that helped him make up his mind.

The theme of the program is "The True Security," the point being that true security is not in what the government, an employer, or anyone else can provide but, as the hero tells himself, "Everything you've been, everything you've learned is still with you, in you. There's your security."

Excerpts from the main film are used at the seven other conference sessions that are based on individual factors, such as team-work, planning, financial security, integrity, craftsmanship, leadership, communications, strengthening management skills, and developing subordinates.

The session on financial planning is handled by the Mutual Benefit agent who contacts the employer. There is a special film for this, in color, based mainly on animated drawings. It treats financial planning objectively, discussing every type of property. Of course, since life insurance is necessarily such a large essen-

tial in the program of nearly everyone in the conference group, the need for life insurance shows up pretty plainly even though the agent leans over backward to be fair to the other forms of property.

Other than the financial security conference, it is assumed that members of the corporation's executive staff will handle the conferences.

The program was developed after consultations with the management counselling firm of Henry Strauss, New York City. Actual preparation of the program was handled by experts in the training field, who took more than two years for the job. The program was also pre-tested prior to introduction.

As President H. Bruce Palmer pointed out at the press luncheon held in New York City to announce the program, Mutual Benefit has an indirect interest in strengthening the free enterprise system because it is the only one under which life insurance can exist, and also because as the enterprise system prospers there is more business for life insurance.

In a direct way, of course, the company is interested in the program as a means of promoting sales among the great number of potential life insurance prospects who are difficult for an agent to reach without a prohibitive amount of time and effort.

The new program, said Mr. Palmer, is in a sense an application of the principles of automation to the selling job. He said he felt that if automation is going to cut down the work-week for employees, it didn't seem reasonable that the agent should still have to continue working five or seven days a week.

Mr. Palmer said two nationwide surveys among management officials disclosed that more than 85% of those who responded believe that a financially sound employee—one who has carefully planned his financial security—is a greater asset to the business for that reason.

"This indicated to us that one important element had been neglected in management training programs used in the past—the element of personal financial management," he said. "As we teach craftsmanship, leadership, human relations, communications, and the like, to achieve greater management value, so should we teach this other essential component."

"With this assurance we went ahead and developed our program for executive training and development. We do not pretend to be training experts in the skills of management, so we employed some of the finest talents of the training field to assist in designing basic materials for training key people."

While the entire program is primarily designed for executive and middle management training and development, the films, *The Time Is Now* and *Making Money Work* should have appeal for a wide variety of civic groups, service clubs and similar organizations. These films and the whole

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"HMM,--I WONDER IF THIS WOULD MEET THE FTC STANDARDS."

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HERMAN WATSON



HERMAN WATSON, JR.

Like Father, Like Son . . .

Montgomery, Ala.
February 1, 1956

**Mr. Chas. E. Becker, President
The Franklin Life Insurance Company
Springfield, Illinois**

Dear Mr. Becker:

I thought you would get a real thrill out of the following "like father, like son" record.

In just seven more days, Herman Watson will complete 12 years of service with the Franklin, or a total of 3,744 working days. During that time he has made 3,909 sales for a total value of \$11,514,875, cash with every sale.

His son, Herman Watson, Jr., who has just finished Vanderbilt, signed his Franklin contract on August 28, 1955. During his first 60 days he made 71 sales for a total volume of \$251,250 and collected in cash \$2,272.11 with these sales . . . all were cash with sale. His second month with the Franklin he had a commission check for \$1,095.57.

You will be pleased to know that over 95% of the above described business is on Franklin specials. You can imagine how proud I am of these two Watsons.

With best of wishes.

Cordially,

**W. W. Chamberlin, Jr.
Southeastern Division Manager**

An agent cannot long travel at a faster gait than the company he represents!



The Friendly
**FRANKLIN LIFE INSURANCE
COMPANY**

CHAS. E. BECKER, PRESIDENT SPRINGFIELD, ILLINOIS

DISTINGUISHED SERVICE SINCE 1884

*The largest legal reserve stock life insurance company in the U.S. devoted
exclusively to the underwriting of Ordinary and Annuity plans*

Over Two Billion Dollars of Insurance in Force

More Companies Register Record Progress in '55

CAL.-WESTERN STATES

Insurance in force of California-Western States Life increased 16% in 1955 to reach a record high of more than \$1,327,400,000. New life sales totaled \$160 million for a 23% gain, while assets increased nearly \$13 million to \$172,400,000. Income from all sources increased to more than \$47 million for a gain of 5%, while capital and special surplus funds rose more than \$2 million to \$21,600,000. There was a 15% increase in group premiums to a new high of \$22,600,000.

Benefit payments exceeded \$23,000,000, a gain of 12%.

LIFE OF VIRGINIA

Life of Virginia sales in 1955 totaled \$340,190,435, up 33%, and insurance in force totaled \$1,954,297,053, up \$202,-425,617 for a record 12-month gain.

Ordinary sales totaled \$181,273,770;

weekly premium sales were \$110,301,321; while group and wholesale amounted to \$48,615,344. Premium income totaled \$55,519,848, up \$6,366,837, and total income reached \$69,622,618, up \$7,722,387.

Assets climbed to \$374,073,838, up \$26,377,550. The rate of interest earned after taxes, was 3.33%, up .06%.

Payments and credits to policyholders and beneficiaries totaled \$47,850,-531, up \$6,456,154. Surplus and contingency reserves amounted to \$24,-230,699, up 5%. Dividends to stockholders totaled \$1,440,000, the same as in 1954.

Full time employees in the home office and field totaled 3,100, up 257.

OCCIDENTAL, CALIFORNIA

A record increase of \$832,769,806 of insurance in force during 1955 moved Occidental Life of California over the \$6 billion mark. For the second consecutive year, new life sales topped \$1 billion, totaling \$1,064,608,937. Insurance in force reached \$6,094,475,790, compared with a 1954 figure of \$5,-261,705,984. Ordinary reached a new high of \$3,335,978,003, while group

(CONTINUED ON PAGE 32)

400 Get Assurance on Accommodations for MDRT Cruise

By early next week, 400 of those who applied for reservations on the *Kungsholm* for the Million Dollar Round Table cruise convention to Bermuda will have been notified that they are assured of accommodations—provided of course that their credentials as Round Table members are in order and that they pay the balance of the cruise fare by April 15.

The ship has accommodations for 450 on this cruise, but 50 places have been reserved for guest speakers, room-hosts, members of working committees, invited guests, and the insurance press.

MDRT headquarters received 654 cruise reservation applications that met all requirements. However, the 254 applicants who are being notified that they have been placed on the waiting list and assigned priority numbers should not give up hope of attending the convention. Chairman Arthur F. Priebe, Penn Mutual, Rockford, Ill., pointed out that it is inevitable that membership qualifications of some of the 400 won't be approved. Also, some of those for whom the other 50 places have been reserved may not be able to go. Any accommodations available from either of these sources will be assigned promptly to those on the waiting list, according to priority number.

Since there are more reservation requests than available accommodations, the executive committee set quotas according to the five categories of MDRT members, so as to have a balanced representation at the convention. The distribution at the last two conventions was used as the basis.

This means that the 400 places are apportioned as follows: life and qualifying, repeating, 154; life, 44; life and qualifying, first time, 39; qualifying repeating, 63; and qualifying, first time, 100.

Those whose requests for space have been approved and Round Table membership certified are being notified that from here on their dealings will be direct with the Swedish American Line. This includes requests for assignment of room-mates, for example, as well as financial matters.

Registration fee for the convention is \$25, a reduction from the previous fee of \$40. At the same time, an increase in the annual dues has gone into effect. Dues are now \$40 as against the former \$25 annual rate. The similarity of the numbers has caused some confusion, Mr. Priebe said. What the change means is that all members pay \$40 a year, whether they go to the convention or not. Those who go will pay the \$25 registration fee, in addition. The changes were made to make the membership and registration fees more accurately reflect the actual incidence of expense.

CORRECTION

An item in last week's issue reporting promotions in American United Life's reinsurance department gave an incorrect title for H. Hartzell Perry. Mr. Perry's new title is vice-president, reinsurance sales.

The other appointees are Fletcher G. Shepard, Fred L. Kautzman, Fred L. Durham and Landis Dale Jr., all assistant vice-presidents in reinsurance.

Mutualization Plan of Pacific Mutual Passes Final Test

The U. S. supreme court denied a further review of the California supreme court's approval of the mutualization plan for Pacific Mutual Life. The plan, therefore, now stands finally approved.

Asa V. Call, president of Pacific Mutual Life, had this to say following announcement of the court's decision not to grant a hearing to the group of dissenting stockholders who have repeatedly sought to block mutualization proceedings:

"It is very gratifying to have the Supreme Court take an action that gives final approval to the plan of mutualization under which Pacific Mutual's life insurance policyholders will become owners of the company. The insurance commissioner of California, the California superior court, the district court of appeal and the California supreme court have all given consent to the plan. It is unfortunate, of course, that all of this litigation, which was initiated by the dissenting stockholder group, has delayed placing the mutualization plan into effect."

"The legitimate interest of the stockholders always has received and will continue to receive full consideration by the company. It is a part of the mutualization plan itself that the stockholders will eventually receive more money for every year by which complete restoration of non-cancellable disability insurance benefits precedes in time the date originally estimated by the authors of the plan. It will be the company's policy to complete non-cancellable restoration just as quickly as this can safely be accomplished. We believe this to be in the interest of all concerned—the stockholders, the non-cancellable policyholders and the life policyholders who are to become the company's new owners."

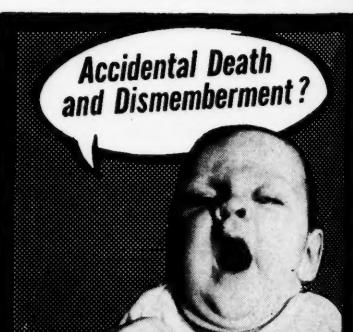
In 1936 Pacific Mutual then controlled by the stockholder group that has been attempting to block the mutualization plan, was found to be insolvent principally by reason of inadequate reserves behind a special form of non-cancellable disability income policy. These policies had been sold, beginning in 1919, at premiums which were later found to be inadequate. The company continued to write this type of coverage for some time after it had been discontinued by other insurers. The company was reorganized, with the needed finances supplied by the

(CONTINUED ON PAGE 32)

FOUNDED IN 1857
IN DES MOINES

EQUITABLE LIFE

INSURANCE COMPANY OF IOWA



SURE! It's in NEW BABY GROUP!

For complete details write your Gen. Agent or:
THE UNITED STATES LIFE INSURANCE CO.
IN THE CITY OF NEW YORK
84 William Street, N. Y. 38, N. Y.



New Record—

THE RECORD OF 1955 . . . Provident Mutual's ninetieth anniversary year . . . is another outstanding chapter in the Company's history of sound and consistent growth and progress.

It was a year that Provident Mutual life insurance in force increased to a new record of \$1,728,644,000, with new life insurance sales of \$178,571,000 also setting a high in dollar volume.

These and other figures, equally significant, concerning benefits, investments, earnings, dividends and other operating factors, tell a more than satisfactory statistical story. They are discussed in detail in our Annual Report.

But beyond the figures is the warm and compelling story of faith in the institution of life insurance.

Retold thousands of times in thousands of ways, but at every telling as heartening as before, the story touches each of us, for today life insurance dollars, either as protection or investment, are in dynamic action all about us.

Beside the basic family protection these dollars afford, they also build homes, factories, highways, railroad equipment, municipal projects. They go on and on, rebuilding, enlarging, and strengthening the nation's economy under scrupulous stewardship of the American life insurance companies.

Provident Mutual, in 1955 as in previous years of its 91-year history, had a record share in this activity. We are proud of our part—we believe it to be a record of high fidelity.

**PROVIDENT MUTUAL LIFE INSURANCE COMPANY
of PHILADELPHIA**

ÆTNA LIFE'S 5 FORWARD STEPS



basic school

2. Career Course.

Reproduced from a series
of mailing pieces demonstrating
the effectiveness of Ætna Life
training methods.

3. Advanced Training -- Advanced Business Insurance and
Tax Course. Home Office School and Field Clinics.

4. C. L. U. Participation.

5. Leaders Seminars and Regional Meetings.

S TO SALES LEADERSHIP

Aetna Life's Basic ECP School Course Leads to Selling Success

Aetna Life's Training Program is a complete comprehensive course for new men in the business. It is a planned program, proven over the years by the sales success of Aetna Life representatives. While the formal training takes up to seven years to complete (including C. L. U. preparation), it is broken down basically into five different, vitally important steps . . . each a separate entity in a practical, field-tested plan. The first two years cover all phases of basic and advanced underwriting.

The first step is Aetna Life's Basic Estate Control Plan School, designed to form a firm foundation for future success. This school, conducted

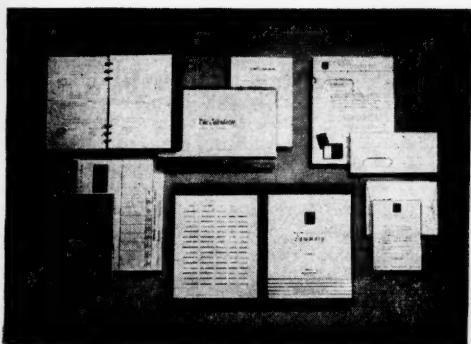
in Hartford by expert instructors, who have themselves been successful as insurance salesmen, runs a full four weeks. Aetna Life feels this length of time is necessary to properly ground the new man in life insurance fundamentals, sales procedures and the Company's Estate Control Plan. So at the very outset of his career, the Aetna Life representative is given the professional selling plans and an adequate background to enable him to call upon select prospects. The splendid sales results attained by Basic ECP School graduates is tangible evidence of the excellence of Aetna Life's first training step.



At Aetna Life's Home Office Basic Estate Control Plan School, you will find a group of young men with similar likes and common interests. The curriculum covers a number of subjects important to the new man's future progress and success. Lively discussion periods, student practice and rehearsal sessions make the eight-hour day seem too short. At night, there are home assignments.



It's not all work at Aetna Life's Basic ECP School. The new representative has several hours set aside for recreational pursuits. He can use the company squash courts and bowling alleys. Seasonal outdoor sports are also enjoyed. In these sessions he gets the opportunity to meet informally and exchange ideas with men from all over the country.



The Basic ECP School curriculum is centered around Aetna Life's Estate Control Plan, proven through 20 years experience to be the most effective life insurance programming plan available today. The plan is simple, modern, logical. Using it, the Aetna Life salesman raises his sights, makes larger sales to more affluent clients. He offers them competent advice and helps tie them to him for a lifetime of insurance counsel.



A certificate of achievement is awarded the representative upon completion of the Aetna Life Basic ECP Course. Now with a solid foundation in fundamentals and sales procedures he is ready to embark on his Career Course training.



Aetna Life Basic Estate Control Plan School graduates win the right to wear this silver key. It is awarded when certain set production and activity requirements are met through the use of the Estate Control Plan.

Aetna Trains for Success!

AETNA LIFE
INSURANCE COMPANY Hartford, Connecticut



Putting Plans on Record Almost as Vital as Planning Itself, LIAMA Conference Told

Putting your agency plans on the record is almost as important as planning itself, LIAMA's agency management conference in Chicago was told by Charles E. Sherer, vice-president and director of agencies for Midland Mutual. He said his company is committed to plans as "the mother of accomplishment."

Explaining how every member of the sales organization profits from planning, he said:

"Our agents are encouraged to explain their plans to their wives and to their general agents. The general agent sends his plans to the agency department. Then the department, in turn, sends its plans to the rest of the company."

This way everyone knows what everyone else is trying to accomplish. Mr. Sherer observed that "It's no panacea having your plans known by others, but it does make it more difficult to backslide."

"Mr. Sherer tied in his talk with the opening address of the meeting by Chester O. Sullivan, president of Midland Mutual, who spoke on the meeting theme, responsibilities facing the agency officer today. Mr. Sherer followed with a detailed explanation of how his agency department operates within the areas of responsibility set by top management.

In describing Midland Mutual's sales organization, Mr. Sherer pointed out that the field service division handles education, agency finance, sales promotion and advertising. He described

the work of the field development division in pursuit of the company's general objectives: to establish new agencies; to attain sales quotas in A&S and life.

"Each field development person maintains or mothers his segment of the sales job. Each man is assigned a group of general agents whom he assists in their efforts to grow and meet individual quotas. Each is responsible that we maintain the best competitive position possible in this area, in connection with both our product and the way we merchandise it. Every man is expected to recruit new agencies in his territory and get them started. Finally, each man assists in conventions and regional meetings."

Mr. Sherer, who until recently was a general agent, said he feels the approaches of the general agent and the home office executive are very similar. "It seems to me that agency officers are, to a large extent, operating general agencies, but from a different level," he said.

Mr. Sherer explained the reorganization job Midland Mutual has done in the agency department.

"We re-defined each job, the functions and duties each of us was expected to perform. Next, we reduced as many policies and procedures to writing as possible. Third, we clearly indicated quotas where possible. Fourth, each member of the department outlined his plans for the year."

"The result of this," he said, "has been to produce an agency department plan book, of sorts. We are still developing it, and, will continue for years to come." The value? Mr. Sherer said "it has helped us determine where we are, where we hope to go, how we expect to get there, and when."

Using LIAMA's chart of agency



At LIAMA's Chicago meeting: Kenneth L. Hobbs, new staff consultant; Frederic M. Peirce, assistant to the managing director of LIAMA, and Norman T. Fuhlrodt, executive vice-president Central Life of Iowa.



functions and duties, the speaker explained some of Midland Mutual's methods, philosophy, and operating boundaries in carrying out various agency department jobs.

"Our merchandising is conventional," Mr. Sherer said. "We are integrating our A&S sales program into our life program as completely as possible."

On building field organization, Mr. Sherer said his company expects to get the larger portion of growth from improvement in present organization.

"To assist in this," he said, "we have reflected the company's program in the design of our general agent's contract. We have a built-in recruiting incentive. We have moved a major portion of our general agent's compensation forward to where he receives a major part of it in the early

years. We want him to feel the results of his recruiting activity right now!"

Training is the function of the general agent in his company, the speaker noted. "Our home office function is to try to make the trainer more effective by supplying him with training guidance."

Mr. Sherer explained the "double plan book system," a supervisory tool in his company.

A file of each general agency is maintained in the agency department, including the general agent's plans for the year, monthly expense reports, weekly activity reports and personal run-down on the general agent, each agent and families.

"When we make field trips," he said, "we take these folders along. They help us prepare for more successful visits and we can brush up on the personnel situation in each agency."

"We plan three routine visits a year to the building agencies; more where necessary. We think our understanding of each general agent's plans makes our supervision more effective. Our aim is to try to develop each agency in keeping with the general agent's personal abilities. In our opinion it should be a tailor-made approach."

"We use normal motivating methods. However, we believe real motivation comes from deep convictions and desires. We try to keep our general agents sold on three premises:

1. Building a successful general agency is a rewarding accomplishment in profits and in satisfaction.

2. His problems are our problems; his success our success.

3. Under our program and philosophy it's possible and probable that he will be able to build a successful business."

Mr. Sherer said sales promotion and advertising tie in with the company philosophy. Sales promotion is aimed at providing the sales people with as potent sales help as possible.

On the budget, he said it covers every facet of agency department activity except home office salaries. Mr. Sherer said each member of the department has a hand in setting up the budget and everyone finds it a tremendous help in keeping the department operating.

Commenting on quality business, Mr. Sherer said: "Our experience tells us that good business comes from good quality agents who, in turn, are recruited by good general agents."

Participants in panel at LIAMA's Chicago meeting: John D. Brundage, administrative vice-president Bankers National; Richard N. Ford, LIAMA director of publications, and William R. Davis III, director field services Commonwealth Life.

Charles E. Sherer

No need these days to give up hope for a sale in cases where a serious heart impairment is indicated. A call to Manufacturers Life brings to your client the services of a Company that has become a recognized leader in the substandard field. For you, the life underwriter, our progressive "heart underwriting" can mean fewer rejected cases . . . and a greater volume of business placed with less time and trouble.

BRANCH OFFICES IN THE FOLLOWING CITIES: BALTIMORE
CHICAGO • CINCINNATI • CLEVELAND • COLUMBUS • DETROIT
HARTFORD • HONOLULU • LANSING • LOS ANGELES • MINNEAPOLIS
NEWARK • PHILADELPHIA • PITTSBURGH • PORTLAND • SAGINAW
SAN FRANCISCO • SEATTLE • SPOKANE • WASHINGTON, D.C.

THE
MANUFACTURERS
INSURANCE LIFE COMPANY

Man of the Year

RICHARD J. KATZ of the Rochester Agency is the Massachusetts Mutual *Man of the Year*, the most outstanding member of our nationwide field force of 1,211 full-time representatives.

- ★ The honor is based on the excellence of service rendered to his clients,
- ★ his agency, his company, and the life insurance business in 1955.
- ★
- ★ With sales of \$3,523,500, Mr. Katz was the leading producer for
- ★ the year.
- ★
- ★
- ★
- ★

He has been one of our 100 Top Producers for 22 consecutive years and a Leaders Club member for each of the 14 years since this honor roll was introduced. He has been a Million Dollar Round Table member for 12 consecutive years and a Life and Qualifying member for 10 years. He has received the National Quality Award in each of the 12 years since the inception of this recognition program.

He is an active member of the Rochester Life Insurance and Trust Council, the Life Underwriters Association, and other professional, business, civic, and religious groups.

Mr. Katz entered the life insurance business as a member of our Rochester Agency in 1929, at the age of 21, after three years in retail selling.

We heartily congratulate "Dick" Katz as our *Man of the Year*.

**MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY**
Springfield, Massachusetts



Figures from Life Companies' Year-End Statements Shown

	Total Assets	Increase in Assets	Surplus to Policy Holders	New Bus. 1955	Ins. in Force Dec. 31, 1955	Increase in Ins. in Force	Prem. Income 1955	Benefits Paid 1955	Total Disburs. 1955
Alico Life, Ind.	5,853,439	2,266,620	*405,676	.....	526,036,433	276,161,602	6,348,143	1,335,551	1,403,527
All American, La.	3,188,423	536,749	494,881	142,770,018	171,728,059	39,430,059	2,478,800	952,953	2,196,852
Atlas Life	21,405,908	2,129,092	1,241,516	28,353,961	237,426,618	50,984,074	4,929,458	2,454,613	5,686,607
Bancers H. & L.	13,719,865	997,382	708,045	.....	94,131,964	7,994,137	6,676,234	1,691,154	4,153,081
Beneficial Standard	18,995,555	3,058,971	10,201,757	25,212,828	77,561,260	15,740,439	13,718,249	5,072,368	11,055,859
Berkshire Life	163,660,725	8,058,516	8,437,976	49,276,574	493,321,292	22,691,320	14,923,172	10,154,533	20,360,980
Canada Life	515,890,077	37,598,309	32,403,091	339,484,252	2,227,590,262	236,487,951	57,221,076	33,051,515	51,672,541
Central Standard Life	98,656,016	3,303,681	13,320,493	36,598,287	353,864,206	3,409,733	8,579,147	4,773,590	8,439,690
Commercial Travelers, Utah	9,833,237	690,167	645,203	5,466,925	35,720,473	1,205,103	3,283,518	1,612,233	2,853,590
Continental, Tex.	3,255,629	214,905	1,344,045	20,839,470	45,413,548	17,727,181	1,515,597	349,098	1,466,706
Crown Life	219,848,571	20,703,296	15,456,723	251,787,171	1,444,852,428	183,836,571	37,659,701	17,347,116	44,718,901
Durham Life	59,692,917	12,424,597	57,555,039	273,059,704	21,980,233	8,971,564	2,718,633	6,878,852	.....
Empire Life, Canada	27,084,692	2,840,988	2,682,378	27,471,496	174,597,148	20,464,066	3,867,778	1,574,958	3,326,848
Excelsior Life	79,535,952	5,708,836	4,666,943	52,789,892	390,916,741	29,283,603	10,497,357	4,091,335	7,699,475
Forest Lawn Life	4,935,440	575,883	659,522	17,446,424	44,650,050	11,854,413	1,342,341	348,985	1,040,446
Great American Reserve	10,264,934	2,126,119	2,684,039	26,730,381	125,078,737	18,386,439	6,072,964	2,305,840	4,909,909
Great-West Life	556,206,971	42,230,496	31,324,315	311,948,355	2,474,423,504	226,434,171	81,647,121	46,782,633	64,593,850
Grange Mutual, Ia.	4,398,051	544,707	*93,106	4,875,734	23,803,295	3,835,301	781,510	201,963	525,596
Home Friendly, Md.	12,713,978	490,810	2,606,198	9,321,821	52,179,123	5,253,827	1,854,291	732,566	1,795,888
Home State Life, Okla.	17,179,820	1,545,865	1,416,180	52,152,634	175,307,206	23,842,317	4,037,616	1,001,633	3,242,833
Imperial Life, Canada	217,576,750	9,571,922	15,946,052	90,062,370	806,914,365	37,050,266	23,020,930	13,921,679	21,315,746
Imperial Life, N. C.	81,669,055	2,649,681	4,463,876	37,935,944	162,530,528	16,366,649	5,688,021	1,687,985	4,151,802
Life of Georgia	125,149,902	15,378,287	14,714,155	410,666,282	1,242,569,955	102,085,111	48,551,689	12,574,351	38,071,069
Manufacturers Life	652,780,092	62,086,328	46,304,056	306,188,800 ^a	1,985,364,390	203,420,303	89,172,204	37,828,276	63,666,373
Midwestern United	7,379,345	1,872,423	1,486,187	34,566,275	119,17,190	24,829,273	3,180,401	583,507	1,942,372
Ministers L&C	14,328,310	1,144,413	2,109,692	5,253,378	58,991,352	2,803,627	1,247,430	1,976,645	1,736,096
Monarch Life, Canada	54,005,306	4,709,570	5,738,712	41,589,818	283,057,576	21,753,513	5,801,417	2,433,363	4,801,848
National Bankers, Tex.	19,342,812	10,908,644	949,958	13,322,670	70,239,224	30,036,726	9,505,431	4,630,286	8,608,416
National Educators, Tex.	6,020,936	797,544	530,016	6,573,114	34,294,404	-709,751	2,348,091	862,955	1,762,161
National Guardian	43,261,461	3,232,427	3,291,851	26,414,661	186,868,140	16,172,655	4,950,346	2,020,611	3,907,858
National Reserve, S. Dak.	48,267,517	5,380,563	4,312,160	27,891,780	187,305,387	15,101,748	7,033,572	2,136,781	4,466,101
Nationwide	8,891,214	12,829,147	8,447,931	194,571,159 ^b	850,985,367	131,936,183	18,330,870	5,218,209	10,461,286
North American L. & C.	22,849,955	3,510,489	2,155,726	118,638,783	471,183,455	75,766,206	10,723,252	4,192,505	11,135,231
N. A. Reassurance	46,545,220	2,348,784	10,342,984	183,672,750 ^b	731,354,783	64,885,884	9,172,850	4,915,658	7,872,532
North Central, Minn.	2,409,266	391,531	525,092	50,503,003	47,717,426	10,656,441	1,470,223	296,914	1,226,149
Northwestern, Wash.	5,343,183	481,988	668,282	11,824,547	51,774,338	7,172,662	1,729,421	683,067	1,412,335
Pilgrim H. & L.	8,598,903	597,641	1,500,000	13,690,362	52,806,110	1,564,433	2,502,705	823,981	2,139,161
Philadelphia Life	42,324,678	4,064,144	3,309,927	62,796,597	278,977,966	37,163,854	6,115,781	2,296,848	2,806,513
Presbyterian Ministers	63,902,563	3,380,841	6,010,073	15,370,047 ^b	152,852,945	11,920,619	4,231,062	3,565,234	4,956,403
Prof. & Business Men's Progressive Life, N. J.	4,997,804	1,158,914	899,318	15,884,029	41,763,616	7,638,275	2,940,976	316,286	2,162,309
Protective Life, Neb.	3,672,386	1,289,337	895,183	70,314,632	138,732,512	30,300,574	2,398,339	607,523	1,493,694
Public Savings, S. C.	2,969,898	844,672	32,052	32,926,428	44,417,641	12,846,591	2,900,231	833,109	2,435,643
Pyramid Life, Kan.	6,536,500	398,666	701,141	16,621,435 ^b	13,246,523	7,297,417	6,133,505	3,432,942	5,995,752
Quaker City Life	12,711,935	2,057,246	3,123,406	147,870,526	190,124,757	26,086,923	9,025,554	.....	7,384,021
Southern Life, Ga.	5,533,142	801,743	1,445,479	41,040,466	120,471,932	17,261,345	2,971,172	1,500,425	2,549,305
Standard Life, Kan.	11,005,610	193,190	1,276,411	7,113,501 ^b	39,241,678	-565,777	1,151,695	899,595	1,317,884
Standard Life, Miss.	13,202,375	.....	1,835,000	31,696,540	152,505,677	3,471,474	1,099,667	2,858,557	.....
Stuyvesant, Pa.	1,497,119	583,191	1,098,744	33,714,240	66,285,356	22,243,910	1,197,604	184,990	588,276
Sunset Life	5,007,299	354,934	825,600	4,401,167	33,250,066	1,634,285	1,182,107	401,229	1,020,286
Teachers I. & A.	458,610,327	34,372,055	14,546,063	41,258,135	224,749,217	26,078,629	31,989,636	14,530,841	46,894,498
Travelers	2,699,194,257	147,633,783	313,878,768	1,524,299,171	17,002,919,182	1,627,754,949	228,641,440	169,656,205	235,126,355
Union Labor Life	25,092,651	3,676,812	5,397,367	33,187,790	771,347,440	33,416,271	26,676,100	23,283,571	26,075,363
United Home Life, Ind.	5,389,079	1,267,333	976,879	7,194,051	46,108,716	4,073,398	1,779,443	373,913	960,255
U. S. Life	77,756,997	8,194,227	6,166,200	176,616,866	826,394,468	131,513,224	22,798,251	12,409,253	19,259,224
Unity Mutual L. & A.	11,702,834	1,353,515	1,323,681	8,299,036 ^b	60,890,226	1,239,857	2,720,469	677,715	1,713,526
Western Life, Mo.	1,831,318	175,739	272,969	3,141,991	20,219,381	-383,891	618,763	206,295	653,193
Degree of Honor	30,455,080	998,566	7,782,299	4,781,500	78,441,895	542,840	1,702,162	1,217,379	1,971,441
Woodmen of the World, Colo.	20,401,726	97,400	859,243	7,645,337 ^b	48,925,116	1,762,226	1,243,214	1,423,578	2,113,746

New business figures exclude renewals and increases except as follows: *\$334,143; **\$53,171,490; ^\$7,684,084; ^*\$20,575,620; ^*\$23,230,436; ^*\$3,223,300; ^*\$17,561; ^*\$810,770; ^*\$216,060; ^*\$374,345; ^*\$283,821; ^*\$324,912.

90-Day Retroactive Waiver in New Conn. General A&S Policy

Connecticut General Life has brought out a new commercial A&S contract with a 90-day retroactive waiver of premium feature. Called "MI" (for monthly income), it offers lifetime accident income and 2- or 5-year sickness income for total disability. Any premium falling due during a period of 90 consecutive days of disability will be waived, or refunded if already paid.

Premiums are based on the insured's age at issue, with no increases planned throughout the time the policy is in force. The renewal age limit is 65. The policy with 2-year sickness income is available to women and to men in the higher occupation classes. House confinement is not required.

Available by rider are accident medical expense benefits for family members as well as the insured. This is available with a \$50 deductible at a lower rate or with first dollar coverage. Also optional for both the insured and his family members is an accidental death benefit at new lower rates.

MI's combination of A&S coverages in one policy has permitted certain economies that are reflected in the rates of the new policy. The addition of a flat charge for semiannual and quarterly payments further lowers the price for those who pay annually.

Connecticut General has also created an all-purpose application form which can be used for all its commercial A&S contracts, including coverages on dependents. The company will continue to use a separate application form for its non-cancellable A&S policy DD65.

Assign Pechette to Portland, Ore. Prudential has named Alfred J. Pechette manager of the New Willamette district at Portland, Ore., the third such office there.

Mr. Pechette served in field posts at Berkeley and Oakland before going to the western home office at Los Angeles in 1952. He has headed the field training division for 11 western states and Hawaii since last June.

NOW...A POTENTIAL \$1 BILLION COMPANY!

A life company and its underwriters both grow by serving, serve by growing. But the company must lead the way, hope for hope, action for action. Only then do both reach their full potential. Fifty years in this business has taught us that.

We're on the march. We have money-making operations ready for you if you're ready...agent, general agent, broker. Let's talk.

**Frederick E. Jones, President
Howard W. Kraft
Director of Agencies**

**THE OHIO STATE LIFE
Insurance Company**
COLUMBUS 15, OHIO

MONEY-MAKING OSLICO TOOLS...

*Complete life, health, accident, hospital coverage . . . Accidental Death and Dismemberment . . . Total and Permanent Disability, 120 day waiting period, 1st payment covers previous 30 days . . . Modern contracts featuring low net cost, return of premiums, modified periods with endowment options . . . Check-O-Matic, annual rates, monthly pay basis . . . Substandard coverage . . . Par and non-par contracts . . . Salary Savings Plan.

**"Sure-Sell" Basic Trainer . . . "Needs-Nest" Primary Trainer . . . LUTC . . . CLU.

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REPORT ON STATE FARM / Agency Force



SELLING THREE TYPES OF INSURANCE under State Farm's "multiple line" plan keeps Glen Dittus and his able assistant (wife "Sandy," above) on a busy schedule. Although he had no sales experience before joining State Farm in 1947 . . . although his career was interrupted by a recall to military service during the Korean conflict . . . Dittus qualified for the company's "Leaders' Club" in 1953 and 1954. He also graduated from Purdue University's Life Insurance Marketing Institute.



SERVING AN AUTO POLICYHOLDER, Glen Dittus visits a local garage to inspect damages and speed repairs. This is part of his job under State Farm's "personal touch" claims handling system. It is also a valuable opportunity to cement good will with his insured (an important consideration when you also sell life and fire insurance).



SERVING HIS COMMUNITY, Dittus devotes time to his duties as Elder of the First Presbyterian Church. He also serves on the Citizens' Committee of Proviso Township High School, as baritone soloist and board member of the Suburban Veterans Chorus, as sponsor and first baseman of a 12-inch softball team (which just won a local championship). A Rotarian, he recently completed a term on his local club's Board.

NEW KIND OF INSURANCE MAN

GLEN DITTUS OF MAYWOOD, ILLINOIS, TYPIFIES THE YOUNG MEN WHO ARE BUILDING LIFETIME CAREERS WITH STATE FARM

Most of the men who have entered State Farm's Career Agent Program have much in common with Glen Dittus of Maywood.

They're independent businessmen who sell all three State Farm lines—auto, life and fire—under a contractual arrangement with the company.

They earn substantial incomes. (State Farm Career Agents with at least one year of service averaged \$9,300.00 per year in 1954.)

They're active in the social, business and civic life of their communities.

They're all eligible for one of the industry's most complete training programs. (More than 6,000 State Farm agents are now participating in classroom, workshop and on-the-job instruction.)

The ever-increasing skill and growing number of professional State Farm Career Men—like Glen Dittus—is demonstrated by two dramatic facts. State Farm Mutual sells America's most widely-bought auto insurance. State Farm Life ranks among the top 50 United States and Canadian legal reserve companies in Ordinary insurance in force.*

*State Farm Life has had no consolidation, reinsurance, brokerage, or Employer Group. It does issue Creditors' Group to local banks who are financing automobile purchases under the State Farm Bank Plan.

State Farm Life Insurance Company, Home Office, Bloomington, Ill.



Nominating Blanks for Russell Award Are Out

NEW YORK—Nomination blanks for the 1956 John Newton Russell memorial award are included in March issue of *Life Association News* and additional blanks will be sent to some 2,500 persons in the life insurance business during April. May 15 is the deadline for receiving nominations. The winner will be announced at the NALU annual convention in Washington, D.C., in September.

David B. Fluegelman, general agent of Connecticut Mutual in New York

City, past president of National Assn. of Life Underwriters, is chairman of the award committee. The award is presented annually for outstanding service to the institution of life insurance. The winner receives a bronze plaque, a gold watch, and his name is added to the list of recipients on the large plaque at NALU headquarters.

60 Qualify for Fla. Rally

Sixty Indianapolis Life field men have qualified for the 1956 meeting of Counselor's Club, the top production organization which will meet at Hollywood-by-the-Sea in Florida. In ad-

dition to business sessions, there will be several recreational events.

Club officers, determined by their production during the qualifying period, are Nate Kaufman, Shelbyville, Ind., president; Thomas H. Redmond, Anderson, Ind., 1st vice-president, and William H. Plymate, Indianapolis, 2nd vice-president.

Columbian Nat'l Names Grandpre

Columbian National Life has appointed Raoul J. Grandpre assistant auditor. He joined the collection department in 1949, went to the sales department in 1951 and became methods analyst in 1952.

LAA Sets 2 Workshops for June in New York

Life Advertisers Assn. will hold a pair of workshops during the week of June 10 at the Belmont Plaza hotel in New York City.

Warren Reuber, Connecticut Mutual Life, will direct an editorial workshop and Richard Boulton, Phoenix Mutual Life, will head a sales promotion workshop. They will be assisted by a faculty of experienced LAA members, plus several outside speakers on technical subjects such as layout, type and printing processes.

The workshops will be the eighth and ninth sessions conducted by LAA since this program was inaugurated in 1951. Paul Duling, Postal Life, and Jack Buckley, Guardian Life, are business manager and promotion director, respectively, for both workshops. William C. Heimburg, New York Life, is chairman of LAA's educational committee.

New York CLU Estate Planners Day April 18

New York City CLU chapter will hold its annual estate planner's day on April 18 at the Sheraton-Astor hotel. The theme, "Estate Planning in Action," will be a practical presentation of techniques of special interest to accountants, lawyers, trust officers and agents.

Panel participants will be Albert R. Dworkin, an attorney and partner in a New York City accounting firm; Elmer L. Fingar, New York attorney and senior trust officer of National Bank of Westchester; Samuel J. Fossner, Newark lawyer; and Joel Irving Friedman, New York City lawyer. Chairman and moderator will be Bernard M. Eiber, attorney and general agent of Mutual Trust Life in Brooklyn.

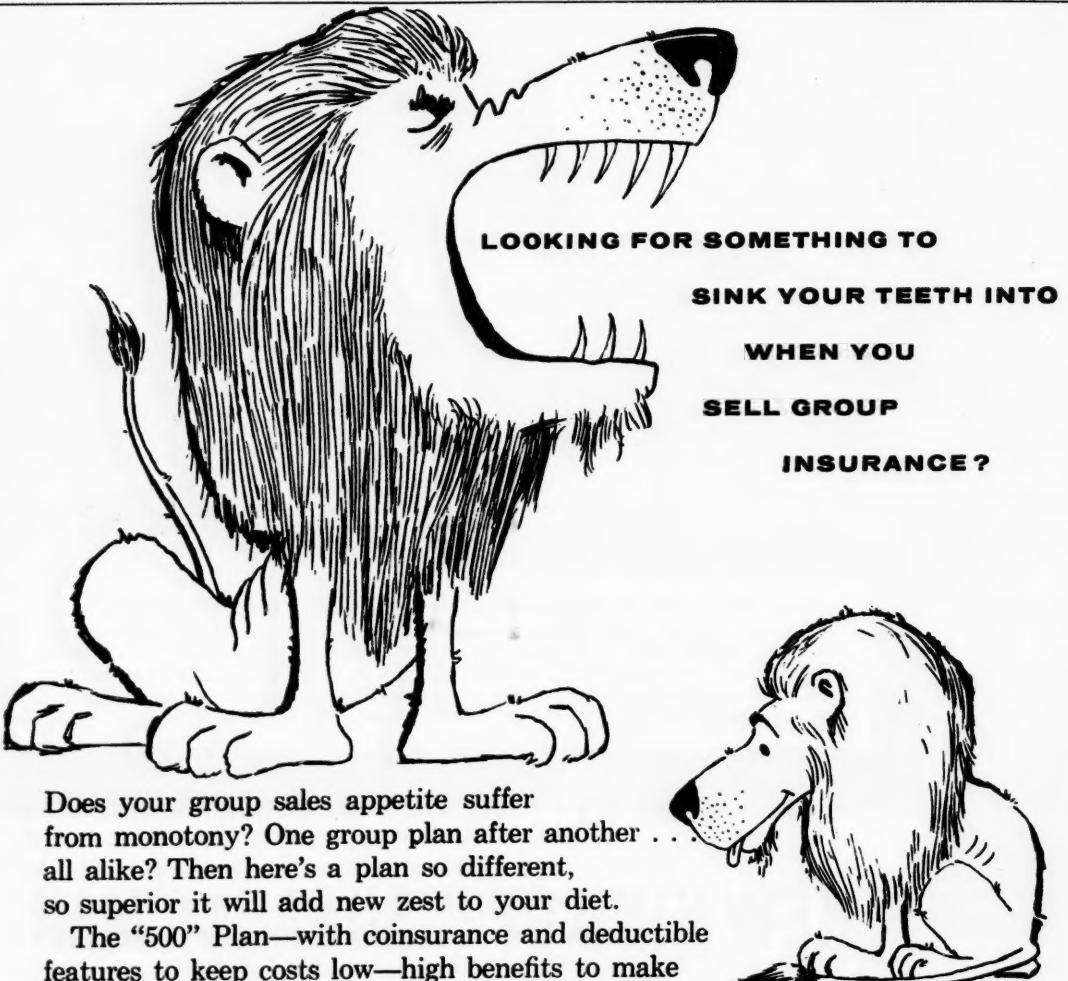
SEC to Probe Sale of Stock by Insured Savings Life, Phoenix

Securities and exchange commission has temporarily suspended a regulation A exemption from registration under the 1933 securities act for a public offering of stock by Insured Savings Life of Phoenix. A hearing will be permitted on whether the suspension order should be vacated or made permanent.

The company filed its notification under regulation A two years ago, proposing a public offering of 125,000 shares of class A non-voting common stock at \$2 a share. The promoters later organized a companion mutual benefit insurance company, called Insured Savings Insurance Co. The stock sales were tied in with the sales of policies by the mutual benefit company.

SEC said it had "reasonable cause to believe" the company did not comply with regulation A by failing to file written communications consisting of a sales kit, booklet and leaflet and by failing to send the offering circular to stock buyers concurrent with or prior to the confirmation of the sales or prior to payment of all or part of the purchase price.

SEC alleged that a scheme to defraud was being used in connection with the stock sales because the mutual benefit life company was incorporated in Arizona, but the sale of securities is restricted to those who buy the company's life policies. The amount of stock available to buyers is limited to a specified ratio to the amount of premiums payable, with the ratio to be reduced in the future. The issuer and salesmen have made untrue statements about dividends to be paid on the policies and about the securities, SEC charged.



Does your group sales appetite suffer from monotony? One group plan after another . . . all alike? Then here's a plan so different, so superior it will add new zest to your diet.

The "500" Plan—with coinsurance and deductible features to keep costs low—high benefits to make sales easy. Pays up to 500 times the selected Daily Hospital Benefit during any one disability period for Hospital room and board, hospital extras, out-patient expenses, anesthetist, physician and private nurse fees, diagnostic x-ray and lab tests, prosthetic and orthopedic devices, rental of equipment, ambulance . . . plus additional benefits for surgery!

This means thousands of dollars—just what the doctor ordered—to smash BIG bills . . . shrivel the small ones!

On the side . . . dynamic direct-mail promotion to dish up hot prospects for you.

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If you are not on Zurich-American's mailing list use this coupon for "500" PLAN details . . . the PLAN and the PROMOTION



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YES! I want to hop aboard the "500" PLAN. Please furnish details of special "500" PLAN promotion.

Name _____
Company _____
Address _____



Salinger Scores All-Out Attacks on Bank Loan Plan, Says Facts Should Govern Use

NEW YORK—The pros and cons of which permit the deduction of interest.

were discussed by Benjamin D. Salinger, at the monthly luncheon of the New York City CLU chapter. Stating that he was speaking as an individual, he took issue with the stand taken by the committee on field practices of National Assn. of Life Underwriters in opposing this type of insurance sale.

"No sales idea is either all good or all bad," said Mr. Salinger. "It always depends on the individual facts and the individual situation." He expressed bewilderment at the sharp "all for" or "all against" attitude which exists among agents with respect to this idea.

Mr. Salinger, general agent for Mutual Benefit Life, is a past president of New York State Assn. of Life Underwriters, New York City Life Underwriters' Assn. and the New York City CLU chapter. He is an announced candidate for trustee of NALU.

In reporting the factors given as favorable to the plan, Mr. Salinger referred to the inflationary trend, the large amount of protection available and the fact that the plan does take advantage of existing current tax laws

Conn. General Makes 5 Field Appointments

Connecticut General Life has made these appointments:

Thomas C. Simons becomes assistant manager at San Francisco. He joined the company in 1953 and has been a staff assistant at San Francisco.

Glen D. Cameron, William L. Reynolds and Thomas S. Shea become staff assistants at Buffalo, Akron and San Francisco. Mr. Cameron has been at Cleveland. Mr. Reynolds joined the company in 1953 at Akron. Mr. Shea joined the company in 1954 at San Francisco.

Robert D. Heins becomes brokerage consultant on life, A&S and group at Charlotte.

Flammang Agency to Build

Joseph B. Flammang, Pacific Mutual Life general agent in the San Fernando valley, adjacent to Los Angeles, has broken ground for a new building specifically designed for his agency. The air-conditioned, modern structure will utilize interior glass partitions to provide agency quarters comprising 14 private offices plus a large training room, library and cashier's office. Off-street parking has been provided. There will be rental space.

The agency, starting from scratch in 1953, becomes the eighth among Pacific Mutual field units to occupy its own building.



**BANK LOANS
ON VESTED
RENEWALS**

THREE OR FOUR
YEAR REPAYMENT

**UNDERWRITERS CREDIT &
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derstand a plan when he buys it, he is apt to forget in the future. This leads to bad public relations. Another objection he reported was that this business has poor persistency and a policyholder generally resents an encumbered policy.

Strong objection to the abuse of the bank loan when sold as a "gimmick" is also made, he said, but it would be foolhardy to judge an idea by its misuse. There is also much objection raised to the tactics of salesmen selling limited payment or endowment policies and yet these plans of insur-

ance are not attacked.

Mr. Salinger emphasized his position that there is no one best policy or sales plan—that life insurance is always sold to serve different and specific needs. There are, therefore, situations in which a bank loan plan will be in a client's best interest. Conversely, there would be situations which do not suggest a bank loan plan solution. His point was that each individual situation must be analyzed and solved on its own merits and with the conscience of the insurance representative.



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Lobingier Tells LIAMA Conference About Six Ways to Improve Public Relations

A current need "to inform the public more effectively about life insurance," was stressed by John L. Lobingier Jr., LIAMA's director of public relations, at the LIAMA agency management conference in Chicago.

Suggesting that one of the best ways to do this is to help the agent tell a simple story in terms the prospect can readily understand, Mr. Lobingier described recent company activities designed to provide effective communication with the insuring public.

In outlining a six-point public relations program for life insurance sales organizations, Mr. Lobingier said that the general objective for a company, an agency, or an agent might be simply to win earned recognition among people important to business



J. L. Lobingier Jr.

success.

His six points, briefed down:

Think first about the insuring public. The company that places public interest above other considerations, in the long run serves its own best interests, too.

Devote major attention to policyholders. Cultivate this important group according to a definite plan.

Encourage field men to contribute intelligently to the life of their community. Many home office executives set the example through their own community service.

Serve the business as a whole. Consider its welfare synonymous with company welfare.

Look beyond the amenities of public relations to logical opportunities (some of which may take time and money) to build good will with special sections of the insuring public.

Communicate effectively. Try to make all public contacts favorable. Inform the public about life insurance. If company and individual performance is good, tell people about it in

every reasonable way.

Mr. Lobingier warned that results from such a program cannot come overnight. Good public relations takes time, he said, as well as "relentless, repetitive effort."

"But with time, results do come, bringing benefits that may be felt in every facet of the sales operation."

He listed three reasons "why retention of public good will is unusually essential in life insurance selling": (1) The product is intangible. (2) Purchase of life insurance involves a continuing service. (3) Purchase of life insurance normally involves an important financial transaction.

Companies of small or moderate size, Mr. Lobingier said, may not need to employ a person with a "primary portfolio" of public relations.

Noting that only 20 of 149 companies in the agency management conference reported an agency department man with a "public relations" title, Mr. Lobingier said there are many significant public relations activities an agency officer, or his staff, can carry on as part of regular "line" functions.

On his point of "cultivate policy-owners," Mr. Lobingier suggested that "in our urgency to point out opportunities for new business among policyholders, some of us may overlook the obligation we have to serve this group."

"How often do we remind ourselves that the policyowner pays for the continuing service of his agent, whether it is rendered or not?", he asked.

Mr. Lobingier listed many special projects that a moderate or small size company may use to build great good will with its important publics. Rather than extravagant public relations activity at the home office level, he suggested that often the most effective thing an agency department can do is to bolster agent and agency public relations projects at the local level.

Quarto Leaving LUTC to Take V-P Position at Bankers National

Pasquale A. Quarto, director of training for Life Underwriter Training Council, has resigned to become vice-president in charge of agency supervision and training for Bankers National Life. His appointment is effective April 30, when LUTC, along with National Assn. of Life Underwriters, is scheduled to move from New York City to Washington, D.C.

Mr. Quarto joined LUTC in 1948 on a temporary basis to help prepare the second year course but enrollment fees from new classes formed that year permitted LUTC to sign him up as a full-time staff member. He entered life insurance in 1936 with John Hancock in New York City.

After 10 years as an agent he was a field supervisor for two years before going to LUTC. He became LUTC director of training in 1949. He is a graduate of the LIAMA management school, a past president of the New York City CLU chapter and is the author of a monthly column in *Life Association News*, "Trends in Training."

In his new position, Mr. Quarto will have over-all responsibility for field training. In addition, he will have supervision of all Bankers National Life agencies beyond their first year. H. Carlyle Freeman, as vice-president-agency development, will continue to be in charge of recruiting and supervision of agencies during their first year. Mr. Quarto will be introduced to the field force of Bankers National Life at a series of regional meetings in June.

W. L. Wadsworth Feted

William L. Wadsworth, general agent for New England Mutual Life, was honored on his 40th anniversary with the company by co-workers in the Buffalo agency. George W. Smith, chairman, spoke at the surprise party. Since Mr. Wadsworth went to Buffalo in 1946, production tripled to a record \$11 million last year.

Paul Newsom, Republic National Life, Lovington, N.M., led the company in total production for February. Leading in A&S sales was **Harry Leak**, Dallas. The Shreveport, (La.) agency, managed by **L. Roy Smith**, was designated agency of the month.

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- SPECIAL MTG. PLAN—covers death or temporary disability. Something new in this big field.
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OVER \$1 BILLION OF INSURANCE IN FORCE

We're Building on Solid Sales

A.A.L. Agent Harlan W. Scheibe, of Wichita, Kan., has no lapses—100% persistency—on 250 contracts written in the last two years. Average: \$4500. Total: \$1.2 million.

Of 182 A.A.L. agents with \$150,000 or more paid business in 1954 and in 1955 (National Quality Award requirements), 82 have 95% persistency or better; 166—all but 16—meet the qualification of 90% persistency.

First year lapse on all our 1954 business was below 7.5%. More than 93% of our business written in 1954 and '55 was in force on January 1, 1956.

In 1954 the A.A.L. ranked 50th in ordinary life insurance in force. In rate of gain we were 34th. In percent of gain among the top 50, we were 5th.

Aid Association for Lutherans

Quarto Leaving LUTC to Take V-P Position at Bankers National

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RUNS TRAINING GAMUT

LIAMA Course for First-Year Agents Unveiled at Chicago

A complete program of development and training for the agent during his first year in the business, prepared by LIAMA, was unveiled this week by Sam G. Shackelford, senior consultant, before the agency management conference in Chicago.

For three years, he said, a special task force at LIAMA has been working on the program, which includes all training materials an agent and trainer will need.

The course has three parts—the agent development work book; the trainer's guide, and 16 agent text books.

Emphasizing that the agent development program is "an action course," Mr. Shackelford said it is designed "to encourage and enable the agent to practice and develop skills in the field . . . to learn by doing."

Mr. Shackelford outlined six basic principles governing the training of agents under the program:

1. Training the trainer. "Our belief," he said, "is that any training program should fully consider the vital ingredient of any successful training program: the trainer himself. Specific instructions are needed to guide the trainer in his activities. Definite tools and procedures must be provided for and used by the trainer to evaluate the effectiveness of the training he has done. The trainer should not be placed in the role of lecturer."

2. An educational course is not enough. "Training is the development of skill in the use of knowledge toward the objective of making sales. One of the most essential parts of any training program should be what the agent does . . . not what he reads."

3. The study and development period should be spread out over a longer period of time. "A minimum number of subjects well taught, and the skills in connection therewith well learned, is far better than a smattering of information over the whole gamut of life insurance principles, sales and underwriting practices."

4. The entire program must be flexible. "Individuals have varying degrees of receptivity and they should be treated accordingly. Different men have different capacities for learning and varying needs for training, depending on their abilities, their markets and many other factors."

5. Training materials, study courses, sales materials, visual aids, work organization and planning tools all need to be integrated.

6. Agents need to be taught to think for themselves. "The training process should concentrate on teaching the agent how to convert the raw materials of prospecting situations and life insurance knowledge into an effective sales interview."

The text material for the agent consists of selected LIAMA publications in the four areas of the agent's job: life insurance knowledge and concepts, prospecting and marketing, skill in self-management, and selling skills."

Mr. Shackelford said major importance is placed on the agent development work book, rather than the texts. The book contains "materials designed to develop the follow-through by assisting and guiding the agent in making practical day-by-day application

of the principles and procedures set forth in the texts."

Each training unit in the work book contains the objectives of the unit, questions related to the material to be mastered, space for noting related company material to study with the unit, and several action projects.

The trainer's materials provide a complete guide on what to cover, how and when to cover it and how to follow through.

Mr. Shackelford said the program is extremely flexible and can be individualized according to company.

Saperstein, Welfare Fund Racket Witness, Shot

NEWA R K—Louis B. Saperstein, Newark insurance broker, a key witness in New York City welfare fund rackets, was shot four times as he sat in a parked car with a woman companion.

His condition was described as critical.

New York District Attorney Hogan called the shooting an attempt "to silence Saperstein forever." The prosecutors conceded that Mr. Saperstein's death would ruin their case against

three men accused of taking from him \$299,000 in commission kick-backs.

Mr. Saperstein at first refused to testify against the trio. After serving four months of a 5-year contempt sentence, he testified before the grand jury that indicted them. The indictment was dismissed in the trial court, and dismissal was upheld in the appellate divisions but was appealed to the court of appeals.

Employers Life Names Grass V-P

Employers Life of Birmingham has promoted M. E. Grass from assistant secretary to vice-president.

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position in Chemical Lab. Electronic manufacturer located Downtown NY. Product development & testing including plastic applications. Degree not required. Reply in confidence. Box NT1203, 221 W 41 N.Y.

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Sold in amounts of \$10,000 or more. Provides cash values to meet business emergencies or build retirement funds. Issued Standard and Sub-Standard. Can be converted at stated intervals to certain endowment or limited payment life policies by increasing premiums—with no lump-sum payment of back premiums.

Inquiries from brokers invited. For details, call the MONY office nearest you or write to our home office.

Sample gross premiums and dividend illustrations for \$10,000:

	AT AGE 35	AT AGE 45		
	Years 1-3	There- after	Years 1-3	There- after
ANNUAL PREMIUM.....	\$226.70	\$254.10	\$326.00	\$362.20
Illustrative Total Dividends for 20-year period.....	1246.10		1754.40	
Illustrative Annual Net Average Cost, 20 years (if continued).....	187.99		269.05	
Guaranteed Cash Value, 20 years.....	3680.00		4540.00	
Illustrative Net Cost, 20 years (if then surrendered).....	50.30**		701.00	
Illustrative Net Average Annual Cost per \$10,000 (if surrendered at end of 20 years*).....	2.52**		35.05	

Dividends are based on the current illustrative formula. They are in no sense guarantees or even estimates of future dividends, which must depend on the company's future experience and the annual action of the company's trustees. The policy is the entire contract.

*Includes illustrative termination dividend, based on the assumption that policy has been in force for 20 years and 20 full years' premiums have been earned.

**Return over cost.

**MUTUAL OF NEW YORK**

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BROADWAY AT 55TH STREET, NEW YORK 19, N.Y.

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Retirement Plans...FOR INDIVIDUALS AND EMPLOYEE GROUPS

MONY offices are located throughout the United States and in Canada.

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Amendment Sought in Railroad Retirement Act Causes Concern

WASHINGTON—Making the employee's contribution to the railroad retirement system deductible from taxable income has caused considerable concern among life company home office and field people.

The bill would raise the employee's contribution from 6 1/4% to 7 1/4% of earnings up to \$4,200 but by making the contribution exempt from income tax the proposed amendment would more than offset the 1% increase in federal income tax he would enjoy. This would increase the burden on the general taxpayer.

What is regarded as much more serious, however, is the precedent the change would set for demands that social security taxes be made deductible from employee's taxable income. The danger is particularly insidious because one of the checkmates on congressional liberalization of social security has been reluctance to impose the necessary tax boosts to take care of these liberalizations.

If the boost in social security tax were sugar-coated by a provision for making the employee's contribution tax-deductible, the temptation to boost benefits and social security taxes would be much stronger. Of course, the loss to general revenues through such forgiveness would have to be made good by higher income taxes or deficit financing but it would not show up in the same stark, painful way as a non-deductible boost in the social security tax. Treasury Secretary Humphrey has estimated the annual loss in revenue at between \$600 million and \$700 million if employee contributions to social security were made tax-deductible.

Form Cherokee Credit Life, Macon

Cherokee Credit Life Insurance Co. has been organized at Macon to write credit life and A&S. The company has \$100,000 capital and \$200,000 surplus, obtained through sale of 20,000 shares of \$5 par value common stock at \$15 a share.

President is J. R. Miller, who has been general agent of Guarantee Mutual Life in Macon. Vice-president and treasurer is J. H. Dolvin, Atlanta.

Tex. Department Gives Green Light to 85 in Insurer Solvency Club

AUSTIN—The efforts of the Texas department to bring stability to the insurance business in the state were pushed forward along three channels last week.

For the first time, the board released in two installments the names of 85 companies—five of them out-of-state insurers—which have "performed all things necessary under the law" and have passed the tests in the so-called "solvency call." The lists are the first of a series of releases to be issued prior to the relicensing deadline of May 31.

On the defensive side, Fire Commissioner Mark Wentz and Garland A. Smith, former board chairman, testified before the house investigating committee that delays in bringing the complicated banking and insurance set-up of A. B. Shoemake of Waco to liquidation were due to absence of authority under old laws and the time needed, after Sept. 6, to get the new securities division into operation.

They supplemented their testimony with suggestions for additional legislation, as follows: That real estate held by insurance companies be valued for statement purposes at purchase price plus improvements, subject to check by the board; that the law permitting combinations of banking and insurance be repealed, and that the board be given authority to audit interlocking companies where their stock values are important to determining the solvency of an insurance carrier.

In another action, the department cited John L. Hammond Life of Dallas, a limited capital stock company, again using its new powers to crack down unworthy of public trust and confidence. In brief the board charged that the president, Carl B. Jordan, and the secretary, John B. Rich, have previously been involved in operations of insurance companies that are now defunct and that three other key officers or directors are without experience in life insurance. The board has set March 22 for a public hearing on the charges, with five other similar cases to be heard earlier that same week.

In the nature of a footnote to its

work, the board also has announced that 18 Texas companies failed to meet the Feb. 29 deadline for filing annual financial statements, and it accounted for eight of them with the disclosure that four have been re-insured, two are in receivership and two have voluntarily surrendered their certificates.

An example of how cautious the department has become in the item of real estate assets came to light March 8, when it rejected a plea by National Underwriters Life of Fort Worth for a \$50,000 mark-up on its home office building. The company bought the building for \$250,000 last September and reported it as a \$300,000 asset in its year-end statement.

The action was in line with the announcement that the department would appoint an appraiser whenever there has been an appreciable markup of such values for statement purposes. This double-check will also be used on home office buildings of older companies if the board thinks the book value of property is too high, it was explained.

Top Award to P. E. Drury

Paul E. Drury, Sun Life of Canada manager at Baltimore, has been named the 1956 winner of the Sun Life president's trophy for outstanding achievement in 1955 among U.S. branches. Runner up was R. D. Ekblad, Houston manager.

Winner of the director of agencies trophy was Walter E. Woods, Casper, Wyo., followed by D. D. Rosenthal, Houston.



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For The Man Ready For GENERAL AGENT ADVANCEMENT

"The New South" is booming ahead—and "business is good" in Dixie! We have an ideal opportunity open now in the busy, bustling metropolis of New Orleans, offering tremendous profit possibilities to the right man. If you are ready for General Agent advancement—and seeking a career with one of America's fastest growing companies—then write us today. All correspondence will be held in strictest confidence.

National Reserve Life is driving ahead in a gigantic expansion program throughout our entire operating area, from the Territory of Hawaii . . . from California to Florida.

There's a real opportunity awaiting the right man with our one hundred eighty million dollar company! Don't delay—get in touch with us now for complete information without obligation.

H. O. CHAPMAN, Pres.,
S. H. WHITMER, Chm. of the Board



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THE COUNTRY'S MOST FRIENDLY COMPANY OFFERS . . .

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- Complete line of Life Insurance policy contracts from birth to age 70 with full death benefit from age 0 on juvenile policy contracts.
- Complete line of Accident and Health policy contracts with lifetime benefits.
- Individual and Family Hospitalization contracts.
- Complete substandard facilities.
- Educational program for fieldman.

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Older than 85% of all legal reserve life
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March 16, 1956

LIFE INSURANCE EDITION

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'Creative Dreaming' Needed for Progress, Says Bruce Palmer

There is a tremendous need in the life insurance business today for the type of thinking which may be called "dreaming" because it is creative, according to H. Bruce Palmer, president of Mutual Benefit Life, who addressed the New York City Assn. of Life Underwriters at the annual all-day sales congress.

Mr. Palmer, whose topic was "Let's Throw away the Book and Dream", said he was not suggesting that the books actually be discarded. But, he added, he was tired of hearing about decisions made in the light of what has been done or not been done in the past.

Creative thinking is needed in the life insurance business as in none other today. That is, dreaming, which is really thinking, is needed. Mr. Palmer termed himself an idealist, a label which he did not see as an insult.

"I deplore the 'me-too' philosophy," he declared. He was referring to decisions made as a result of that type of thinking.

Right or wrong may be based on what is good for the policyholder because the business is based on him. And what is good for the policyholder is good for the agent, the company and the industry.

The design or format of the life policy contract gives an unattractive appearance.

"We are going to do something about it," Mr. Palmer said, apparently hinting a new development at Mutual Benefit. Attractive packaging is in wide use in other businesses today. If life companies have tended to provide "stripped down models" for their policyholders, resulting in less service, it is due to competitive expediency, he said.

Turning to education of new men, Mr. Palmer asked if there will be capital expenditures for training them as a means of combatting turnover. The greatest factor in the failure of agents is the "fear complex" which results from a lack of preparation for the job. "What about an interne system?" he asked.

Sharing the platform with Mr. Palmer was Stanley C. Collins, Metropolitan Life, Buffalo, president of National Assn. of Life Underwriters.

Mr. Collins, a veteran debit agent, declared that the debit system of distribution and conservation plays great social and economic roles in this country. The debit agents bring the services of life insurance to the lower income classes and, by doing so, help play a political role by fighting the "isms". He appealed to debit men to accept their great responsibilities and work through their associations for the benefit of all.

Hal L. Nutt, director of the Purdue course, gave a wide variety of stories, analogies and illustrations in his talk, "The Stuff that Interviews are Made of." These things, he said, make sales. He offered sets of these ideas to anyone who would write him.

"What is life insurance?" he asked. In answer, he pulled slices of bread from a paper sack and tossed them into the audience. He held up some potatoes and steaks. This food, he said, was worth about \$3. But nine cents of his income today will buy that food for his family if he should die.

Other speakers were Superintendent Holz of New York, Umberto A. Palo, agent of Prudential at South River, N.J., and Kenneth McFarland, educational consultant of General Motors. Gerard B. Tracy, Johnson & Higgins, presided as general chairman.

Freedom Life Names Meade V.P.

Freedom Life of Greenville has elected James G. Meade vice-president and general sales manager. Mr. Meade, a former college and professional football player and coach, has been a radio station executive in Greenville.

Partridge, Ex-NALU Editor, Joins Weekly

NEW YORK—James M. Partridge, former editor of *Life Association News*, official publication of National Assn. of Life Underwriters, has joined *The Weekly Underwriter*, New York City, as associate editor in charge of the life insurance news department. He succeeds the late Charles B. Petrie.

Mr. Partridge was with NALU from 1948 until last fall. In addition to serving as editor and business manager of *Life Association News*, he handled

press and public relations and was promotional adviser to Life Underwriter Training Council, editing and producing several LUTC films.

Before joining NALU, Mr. Partridge was assistant to the director of field surveys at Princeton university. Later he was personal assistant to the late Max Hill, former Associated Press bureau chief in New York City and Tokyo, who was also news analyst on a nation-wide program for National Broadcasting Co. Before going into news work, Mr. Partridge was a staff musician and arranger for N.B.C.

BERKSHIRE'S NEW "MONEY-BACKER" IS A NATURAL FOR THE MAN WHO WANTS TO EAT HIS CAKE AND HAVE IT, TOO!

**Berkshire's "Money-Backer" is an ideal savings plan
type of coverage written at \$5,000 minimum to issue age 55.**

Here's the perfect answer to two of the most common types of reluctant life insurance prospects, namely: the man who thinks he has to die to win . . . and the man who can't decide whether he wants life insurance or dollars in the bank. Berkshire's new "Money-Backer" is everything the name implies. It gives the prospect the opportunity to have insurance *and* his savings plan, also . . . all in *one* policy . . . and convinces him, beyond a doubt, that he doesn't have to die to win. But if he dies, his beneficiary gets the full face value of the policy (and often more), and if he lives to com-

plete his plan, he gets back *considerably more* than he put in. And to make the policy even more saleable there are attractive features available to cover the possibilities that he may become totally disabled or have to surrender the policy before its maturity. SALES TOOLS GALORE! We have packaged in one easy-to-use, easy-to-handle kit: 1. Sales Literature; 2. Consumer Mailing Pieces; 3. A New Proposal Form; 4. All-Age Illustration; 5. Direct Mailer with Return Card Offer; 6. Pre-Approach Letters; 7. "Prospect Finder" and "Rail-To-Run-On" Planner...Keyed to get *results!*



'Problems' Is What Agency Officer Has Most of: Sullivan

The agency officer has more problems than any other company officer, Chester O. Sullivan, president of Midland Mutual Life told LIAMA's agency management conference at Chicago. One of the reasons, Mr. Sullivan said, is that "the agency officer deals mainly with people, rather than things."

To help solve some of these problems, Mr. Sullivan suggested agents should have "a working partnership" with their general agents or managers. He also urged that general agents and managers have a similar partnership with their agency officer and that home office personnel all work on the same team.

"From the president's desk," Mr. Sullivan said, "the life of the agency officer appears not an easy one. So we solicit the cooperation and assistance of others by acquainting them with his program and his problems. We stake out the boundaries within which

he is to operate and try to make certain that he understands the ground rules. Since he is responsible for agency results he must be free to make decisions within the boundaries agreed upon."

Mr. Sullivan explained the philosophy of top management at Midland Mutual. "We realize the agency officer is fundamentally a salesman, but instead of selling policy contracts, he is selling a philosophy of operation . . . a way of life . . . a favorable climate . . . an atmosphere of cooperation and friendliness with fair and considerate treatment of everyone . . . agents, employees, policyholders and beneficiaries . . . and that upon the success of his efforts rests the future of our business."

The speaker pointed out that in his company, the agency officer is a member of the executive committee; policy and planning committee; selection committee, which determines underwriting policy; and chairman of the committee which determines agency department policy.

Superintendent Holz of New York was luncheon speaker at the meeting of League of Life Insurance Women in New York City.

WHY ACCENT ACCIDENTS ONLY?

IT MAKES SENSE, we think, to offer Accident & Sickness policies providing lifetime benefits not only for accidents — but also for sickness.

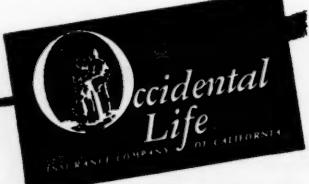
Makes sense, too, to write this benefit as liberally as possible . . . on a *non-confining* basis for sickness during the first two years of total disability.

And doesn't it make sense to provide as much income for a man disabled by sickness as by accident? We think so . . . that's why, for preferred risks, Occidental writes as much as \$600 monthly sickness benefits.

This, we submit, is Accident & Sickness protection with the accent on *complete* protection!

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W. B. STANNARD, Vice President



"WE PAY AGENTS LIFETIME RENEWALS... THEY LAST AS LONG AS YOU DO!"

Priebe Stresses Need for Public to Realize Cost of Additional SS

NEWARK—It is encouraging to see the members of the Senate finance committee displaying so much concern about the cost of further liberalizing social security, Arthur F. Priebe, chairman of the 1956 Million Dollar Round Table, told the Newark Assn. of Life Underwriters. Mr. Priebe is an agent of Penn Mutual at Rockford, Ill.

This attitude, he said, is in pleasing contrast to the tendency that has been observed to make a political football out of social security, boosting the benefits in each election year without paying too much heed to the eventual cost to the taxpayers.

"What the public generally fails to understand is that additional social security benefits that involve only a nominal cost today can, without further liberalization, bring a staggering expense in future years," he warned. "It is a great temptation to politicians to ride into office on promises of bigger benefits today, while glossing over the back-breaking future costs.

"For example, anyone who would oppose lowering the retirement age for women to 62 or even 60 would seem like an unchivalrous lout. But ask any life insurance company what that would add to the cost of social security! Has anyone in Congress ever told the public what it would cost, even approximately, to enter the disability program that the government has seriously considered adding to social security? The amount is a staggering one, even on the most optimistic estimates—and it's all too easy to make them optimistic.

"Ask the life companies about their experience in the 1930s with disability insurance. Even on the limited numbers that they were covering, disability cost the life companies \$63 million in the peak year. Any insurer—private or government—is vastly more vulnerable to 'chiseling' on disability than it is on life insurance.

"This isn't a question of legislating the insurance companies out of business by providing subsidized governmental competition. Not too many people outside the insurance business are very much worked up about that. But every thinking person, in the insurance profession or outside it, should be vitally concerned over the fact that someone has got to pay the cost of these social security benefits some day.

"So it resolves itself into the \$64,000 question—or perhaps it would be more realistic to say the \$64 billion question—"Can we afford the cost of the benefits that we think we'd like Congress to vote for us?"

Ind. Home Office Underwriters Have Discussion on Old Business

Indiana Home Office Underwriters had a panel discussion by three members of the home office staff of the American United Life on "Underwriting and Servicing Old Business".

The group included Norman P. Comtois, chief underwriter of A&S; Morris M. Conn, assistant comptroller, policy

accounting service; and Ralph W. Caldwell, assistant secretary, policyholder's service. The men who are familiar with many phases of the life insurance business represent 95 years of experience.

NQA Apps and Women Members Set New High

Records have been set in the number of applications for the National Quality Award and in the increase in women members of National Assn. of Life Underwriters.

Applications for the award, sponsored by NALU and LIAMA, exceeded 12,000 at the deadline, with more coming in. NALU expects to have all applications processed before May 1. There were 11,000 NQA applications last year.

The increase in women membership resulted from a "Pop the Question" membership drive, pegged to the "leap year" idea, which had a 12% increase as the goal for the first two months of 1956. The goal was reached on the last day of the drive, bringing total female membership to 1,262. Goal for the association as a whole is a 12% increase for the full year.

New Book Suggests 109 Letters to Send Prospects

A new book, entitled "109 Direct Mail Letters," suggests for use by agents letters covering 31 specific life insurance needs and selling appeals.

Instead of going into theories of direct mail, the book is intended to serve as a practical working manual of direct mail letters. The letters are indexed to save the agent's time and make it possible for a secretary to handle the actual mailing. Published by Rough Notes Co., 1142 North Meridian street, Indianapolis 4, Ind., the single copy price is \$2.50.



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Pre-Authorized Check Plan for Monthly Premium Payments Gaining Popularity

Considerable sentiment in favor of the pre-authorized check plan for premium payments was expressed by agency officers at LIAMA's agency management conference at Chicago.

A panel discussion on this plan revealed that efforts have been going on to develop a "standard plan" that would find favor with banks generally as well as life companies. While some banks are not disposed to favor this type of service to policyholder-depositors, many bankers feel that this monthly payment service should be offered the public and they are doing so.

Panel members concluded that "this type of plan serviced through banks is here to stay, since it is fundamentally sound and in the public interest."

Panel members were John D. Brundage, administrative vice-president of Bankers National; William R. Davis III, director of field service for Commonwealth; and Richard N. Ford, LIAMA's director of publications.

Mr. Davis explained his company's Bank-O-Matic plan for use of pre-authorized checks for the payment of life premiums. He noted that the plan "has been growing steadily in popularity" since its introduction in July, 1952.

"At present in Commonwealth branch office agencies about 37% of new business is being written on this plan and nearly 1,200 banks are currently cooperating to give their depositors the benefit of paying premiums monthly on the basis of 1/12 the annual premium and without the inconvenience of premium notices or writing checks."

Mr. Davis observed that in his company the original claim of plan proponents had been substantiated: "that the net effect would be to put many additional sales commission dollars in the pockets of field men through improved persistency, larger average size policy, and larger average size premium."

Mr. Brundage reported on the use of these plans in many companies, as revealed in a LIAMA survey of 31 member companies of the agency management conference.

Mr. Ford, leading off the panel, emphasized that the pre-authorized check plan is different from postdated check plans and bank deduction plans which have been operating successfully for many years. In the latter, lists of premiums due are sent to banks to be charged to depositor's accounts. The bank performs this service for a fee.

He listed the salient features of the pre-authorized check plan which was developed from a draft plan used for many years, particularly in Texas:

1. The policyholder pays for this insurance monthly but without need for premium notices or writing checks. He gets this service at lower cost than under conventional monthly plans.

2. The draft form has been changed to look exactly like a personal check except for the substitution of an authorized typed name of the account instead of a personal signature. It is designed to be handled as a cash item like any regular check.

3. The check conforms to check standards of the American Bankers Assn. They are normally deposited by the insurance company in the local home office bank and cleared like any check.

4. The authorization forms used fit standard bank files.

5. The life company usually gives the bank an indemnity agreement on guarantee against loss. This is now usually printed on the back of the authorization card as a dated resolu-

tion of the company's board of directors.

"This new version of the draft plan," said Mr. Ford, "has been streamlined to make it easy for the federal reserve system to clear the checks and easy for the banks to handle this business as cash items, like any other check."

In support of the pre-authorized check plan, the panel noted that "we are living in a monthly-installment-

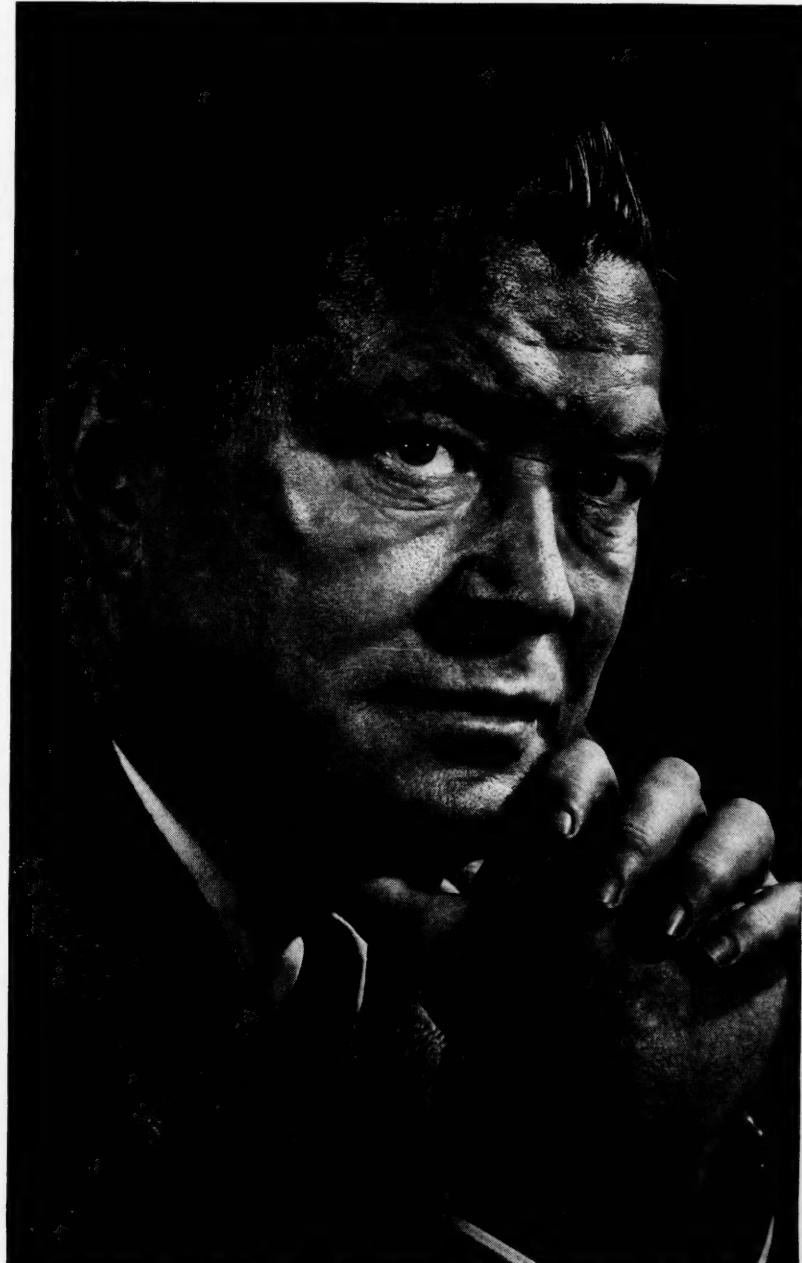
payment type of economy and the public is used to paying most bills monthly."

Mr. Ford suggested that "if we want to keep our share of business, we need to tie into this philosophy of living, as closely as possible. The plan does just this by providing a monthly payment service that is more convenient and less costly than the regular monthly plan usually used."

"If you want to keep the title to your success...use life insurance"

says GENE TUNNEY

*A director of ten national corporations,
Former Heavyweight Boxing Champion*



WHEN I was still a professional boxer, I was fortunate in having friends who were concerned about my future. They pointed out that large and infrequent amounts of money don't automatically bring security. On the other hand, relatively small amounts consistently set aside year after year can accomplish tremendous results.

"Today, as a business man, I especially appreciate the wisdom of those friends who urged me to invest in life insurance.

"I have found in life insurance a great deal more than I had expected. In a way, it is like the training that brings success in the ring.

"A good life insurance program is really a program of regular exercise. The discipline it imposes upon you prevents your losing hold of your gains . . . it keeps you financially fit. And there's a sense of well-being in the knowledge that you are prepared right now for whatever may lie ahead for you and your family."

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**HOW LONG IS IT SINCE YOU
HAVE REVIEWED YOUR
LIFE INSURANCE PROGRAM?**

BIRTHS, deaths, marriages, changing needs, taxes . . . all affect protection plans. A life insurance program needs review at least every two years.

You'll find real assistance when you call upon a Northwestern Mutual agent. He is trained to give understanding advice. His company is one of the largest in the world. It has over 99 years' experience.

Moreover, Northwestern Mutual offers so many significant advantages, including low net cost, that no company excels it in that happiness of all business relationships —old customers coming back for more.

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EDITORIAL COMMENT

So Now We Have FEGLI

Our Albany scout reports that life insurance people might as well resign themselves to another set of initials: FEGLI. Annual statements filed with the New York department use this designation for the mammoth federal employees group life insurance case. Considering what a mouthful "federal employees group life insurance" is, perhaps we should be thankful for FEGLI as a space-and-time saver.

Yet FEGLI, pronounced as a word, or even spelled out letter by letter is not especially euphonious. What might be done? Well, another federal project, FNMA, became Fannie May. With that

as a precedent, FEGLI might become Effie Glye, though we hope it doesn't. Because when and if the federal employees group A&S insurance case finally materializes, it will probably be known as FEGASI and the evolution of that into "Effie Gassy" is something we're sorry we thought of.

But FEGLI, in all its cacophony, is apparently with us to stay. If it has an abhorrent sound, perhaps it is just as well. A pleasant-sounding tag would be quite out of keeping with the effect of this case, as an ominous precedent for commissionless group insurance, on the agency system.

Mr. Palo Has No Call-Reluctance

When a man can pay for \$2½ million to lead the second largest life company his first full year in the business, what has he got that other agents don't have? Or, to be more precise, what does he have that most other agents don't have nearly so much of?

The other day, at the New York City sales congress, we heard Umberto Palo speak on motivation. We had never seen him before but because of his astounding accomplishment a couple of years ago in leading the Prudential his first calendar year in the business, we were particularly interested in detecting what this South River, N. J., former high school teacher had on the ball in such copious amounts.

So, what does Bert Palo have that sets him apart? Mainly it seems to be that elusive quality of sincere, heartfelt, glowing enthusiasm for life insurance as the finest product ever conceived by the mind of man. All that, plus the true missionary zeal to go forth and convert the heathen.

This active enthusiasm is easy to recognize but is almost as hard to put a name to as to successfully imitate. It's been called "heart," dynamic energy, guts, enthusiasm, absence of call-reluctance. By those who don't like it, largely because it prods their under-insured consciences, it may be referred to as brass, over-aggressiveness, high-pressure, or backing up the hearse. Whatever it's called, it is the life agent's counterpart of what Sir James M. Barrie said about charm in a woman: If the agent hasn't got it, it doesn't matter much what else he has and if he has it, it doesn't matter much what else he lacks.

Mr. Palo isn't lacking in other qualities that make for a successful salesman but he does illustrate, by his superabundance of this quality of heart,

or whatever you want to call it, how important the quality is and how little else is actually needed to be successful in selling.

For if intellectual acumen were the *sine qua non* of life insurance selling, Bert Palo would have no trouble qualifying. He graduated from the University of Ohio with a Phi Beta Kappa key and then went on to earn a master of arts degree. But his approach is basically simple, informal friendliness. He talks life insurance wherever he is, if there's the slightest chance he'll be listened to. He's convinced that he's doing the man who buys from him a real favor. He's so enthusiastic about life insurance that he carries all he can afford and then some.

Mr. Palo is obviously so fired with enthusiasm for life insurance and for the good he is doing his fellow man by letting him in on it, that he is completely insulated against the negative reactions that so try the souls of many agents. In the first place to take a negative or even indifferent attitude toward life insurance in Mr. Palo's presence would be about like professing atheism in the presence of evangelist Billy Graham. His enthusiasm catches the Doubting Thomases off balance. He creates an emotional atmosphere in which the glories of life insurance shine forth with all the splendor of the aurora borealis. It would take an ace curmudgeon to remain unmoved by such an appeal.

Absence of this quality of contagious enthusiasm for life insurance is undoubtedly one of the most deadly influences in keeping otherwise well-qualified agents from succeeding or from realizing what should be their real potential. Many an agent has gone out of the business for no other reason than call-reluctance, which in plain

language means that he has become unable to spur himself into seeing people about life insurance.

Every general agent or manager can recount instances of new men who were interested in the business, quickly learned what they needed to know to go out and sell, but who couldn't stand the rebuffs. Mr. Palo gets plenty of rebuffs, he says, but he also gets a lot of applications.

What's the moral? Like that of a great natural athlete, Mr. Palo's skill

is the hardest kind to emulate. Even so, it's worth trying. For example, the famed swimming coach, Bob Kiphuth of Yale, owes a considerable part of his success to his innovation of observing swimmers from under water and using the same means in correcting faults and improving techniques. Admittedly, it's hard to teach an agent the friendly, natural approach of a Bert Palo. Nevertheless, this elusive ability is so important that it deserves a lot more attention than it has been getting.

PERSONAL SIDE OF THE BUSINESS

Taylor Bigbie, associate counsel of National Assn. of Life Underwriters achieved a new kind of fame by being pictured in a *Life* magazine photographic essay on bachelors. He's shown at the El Morocco night club in New York City. He's quoted as saying, in explaining why he's still a bachelor at 32: "I've been awfully busy."

Ellery Allyn, former insurance commissioner of Connecticut and now an insurance consultant at Hartford, and Mrs. Allyn recently returned from a long vacation in Europe. They spent most of the time in eastern Mediterranean.

Ben S. McGiveran, a Northwestern Mutual Life agent with offices at Chicago and Milwaukee, has been awarded a scroll for "achievement since graduation" by University of Pennsylvania's class of 1923. He was cited for his "distinguished career in advanced underwriting and pension trusts." Special mention was made of the "social good he has done through providing security for a large number of people." During his 39 years with Northwestern Mutual, Mr. McGiveran has insured more than 12,000 persons with the company. A general agent for 18 years, he headed the Eau Claire agency before forming his present partnership with Nathaniel H. Seefurth in 1945. He has been a member of the Million Dollar Round Table for 16 years.

Charles F. Wood, United Kingdom manager for Manufacturers Life, whose election as president of Institute of Actuaries in England was reported in a recent issue, is the first executive of a Canadian company to be elected to that post. He will take office at the annual meeting in June. Last year Mr. Wood was elected chairman of Life Offices' Assn.

Charles F. Wood
Wood was elected chairman of Life Offices' Assn.

Mr. and Mrs. Robert Merriman of Waverly, Pa., sailed March 2 on the *Independence* for Italy on the first

portion of a round-the-world tour. Included in their itinerary are stopovers in Germany, Austria, Egypt, Pakistan, India, Ceylon, Singapore, Hongkong and Japan. They will return to the west coast by way of Honolulu, arriving home June 2. Mr. Merriman is a consulting actuary at Scranton.

Pictured here are **Wallace C. Brunner** and **George G. Shoemaker**, whose appointments as general agents for Connecticut Mutual Life at St. Louis



W. C. Brunner



G. G. Shoemaker

and Springfield, Mass., respectively, were reported in last week's issue. Mr. Brunner served as supervisor and assistant general agent at Pittsburgh before going to Springfield, Mass., as general agent in 1952. Mr. Shoemaker served for a time at the home office as agency assistant.

Harry Shaffer, agency vice-president of Acacia Mutual Life, is recovering well from an operation undergone recently at Doctors hospital, Washington, D.C.

Louis W. Dawson, president of Mutual of New York, returned to his alma mater, Cornell university, to address the graduate school of business and public administration on, "Some Operating Principles of Management."

Lon O. Hocker, president of Life of Missouri and one of the country's most prominent attorneys, is being mentioned as a likely candidate for the Republican nomination for governor of Missouri. Many of his friends, including politicians and those not active in politics, have been urging Mr. Hocker to enter the race. He admittedly has been considering the proposition and has indicated he may be able to announce a decision toward the end of

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—Life Insurance Edition

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March 16, 1956

Even so, the Kiphuth part of obser- er and correc- tives. Ad- agent the a Bert e ability es a lot getting.

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Life of 's most men- for the rnor or in- clusive in Hocker ally has on and to an- end of

ABC

Mr. Tel- Man- od St. Robert

ldg. 54 A. J.

the month. Mr. Hocker recently served as chief hearings counsel for the Senate sub-committee on constitutional rights and drew high praise from the floor of the Senate from Sen. Hennings of Missouri, a Democrat, chairman of the subcommittee, for his work on its behalf.

A former president of the St. Louis Bar Assn., he has served on several important committees for both the Missouri Bar Assn. and American Bar Assn. He is 45, a graduate of Princeton and Washington University of St. Louis, and was a member of the St. Louis city plan commission in 1940-44, becoming a chairman in 1942. He served in the coast guard and navy in World War II. He is secretary and general counsel for St. Louis Globe-Democrat Publishing Co. and a director and general counsel of Chippewa Trust Co. He is a son of the late Lon O. Hocker, an attorney at St. Louis for 53 years and well known in insurance circles.

Herbert G. Bartholdi, comptroller of Minnesota Mutual Life, and **Robert A. Miller**, controller of State Mutual Life, have been elected members of Controllers Institute of America.

Edward R. Fehrenbach, Colonial Life, Asbury Park, has been awarded the annual distinguished salesman award by Sales Executives Club of Northern New Jersey for outstanding performance in selling.

Nate Kaufman, general agent of Indianapolis Life at Shelbyville, Ind., received the "Outstanding Citizen Award" from the Shelbyville chamber of commerce. A 12-time qualifier for the Million Dollar Round Table, Mr. Kaufman has been Indianapolis Life's leading salesman in 12 of his 15 years as an agent.

Bankers National Record

Bankers National Life ordinary sales in February were up a record 60%, while sales for the first two months were up 41%. February supplanted January as the greatest production month.

Combined ordinary and group sales were up 71% in February and up 39% in the first two months. The average size ordinary policy in the first two months was \$10,929, up \$3,755.

INSURANCE STOCK SPECIALISTS

Wood, Struthers & Co., Inc.

Established 1905

J. William Middendorf

30 Wall St., New York 5, N. Y.
Telephone - WHitehall 3-7474

ACCIDENT-HEALTH SALES DIRECTOR

Age to 40, some college mandatory. Experience required: at least 7 years Home Office Production background in non-cam rather than commercial type business. A-1 medium sized company—Midwest. \$15,000.

Confidential handling all inquiries. Employer pays fees.

FERGASON PERSONNEL
330 S. Wells St. Chicago 6, Ill.
HArrison 7-9040

DEATHS

LEE CHATHAM, 55, with American General Life since 1942, died of a heart attack at his home in Houston. He was a perennial member of the president's cabinet, and in 1955 qualified for the Million Dollar Round Table. Mr. Chatham won the outstanding agent's cup in 1943-44 and 1945-46.

WALTER S. OAKES, 85, who recently completed 30 years with Equitable Society as an agent at Kalamazoo, Mich., died in a hospital there.

JOHN M. BOHN, 58, Metropolitan Life agent at St. Louis for 27 years, died in a hospital there after undergoing surgery.

Conn. Mutual to Build Wing on Home Office

Connecticut Mutual Life will build a \$3 million wing on its home office on Garden street in Hartford.

The structure, which should be completed in two years, will extend north from the main building designed in 1926. A south wing was added in 1940. The new wing will add 89,000 square feet of space to the existing area of 241,000 square feet.

The addition will be brick exterior and limestone trim, with six floors of useable office space. Because of crowded conditions all departments will be helped by the new wing. The present building has three office floors, two basements and an attic.

The company last fall obtained the city's permission to relocate part of a street to make way for the new building.

In Conn. General Posts

Connecticut General has appointed Harry U. Jennings district group manager at Kansas City and John R. Arms assistant district group manager at Philadelphia.

Mr. Jennings joined Connecticut General in 1948 and has been assistant district group manager at Baltimore. He has also done group insurance work at Philadelphia and at Atlanta. Mr. Arms, formerly a special group representative, joined the company at Philadelphia in 1950.

Plans '57 Stock Dividend

Plans for a \$500,000 stock dividend in 1957 were announced at the stockholders' meeting of Liberty National

STOCKS

	By H. W. Cornelius Bacon, Whipple & Co.	135 S. LaSalle St., Chicago, Mar. 13, 1956	Previous Week's	Current Bid	Bid Asked
Aetna Life	202	215	218		
Beneficial Standard	32 1/4	34	34 1/2		
Cal.-Western States	109	111	115		
Colonial Life	139	140	144		
Columbian National	101 1/2	100 1/2	102 1/2		
Commonwealth Life	23 1/4	25 1/4	26		
Connecticut General	249	256	260		
Continental Assurance	175	181	184		
Franklin Life	92 1/4	92 1/4	93 1/2		
Great Southern Life	95	95	98		
Gulf Life	34 1/2	36	36 1/2		
Jefferson Standard	125	128	131		
Kansas City Life	1380	1420	1470		
Life & Casualty	38 1/2	38 3/4	39 1/2		
Life Ins. Investors	15 1/2	16	16 1/4		
Lincoln National	233	235	238		
Missouri	23 1/2	24 1/4	24 3/4		
National L. & A.	94 1/2	94 1/2	95 1/2		
North American, Ill.	24 1/4	24 1/4	25 1/4		
N. W. National	91	92	95		
Ohio State Life	216	218			
Old Line Life	53	53	57		
Southland Life	140	137	143		
Southwestern Life	183	181	187		
Travelers	79	84 1/4	84 3/4		
United, Ill.	25	26 1/4	26 3/4		
U. S. Life	143	157	162		
West Coast Life	57	55	57		
Wisconsin National	46	51	54		

Life by President Frank P. Samford. Barring the unforeseen, he said stockholders at the next annual meeting would be asked to approve a proposal to issue five shares of \$2 par value stock in exchange for each share of \$10 par value stock now outstanding. In addition, \$1 million would be transferred from surplus to capital and one share of \$2 par value stock issued for each \$10 share now outstanding.

If approved, the action would result in issuance of six shares of \$2 par value stock for each share of \$10 par value now outstanding, raising the number of stock shares from 500,000 to three million and capital from \$5 million to \$6 million.

General American Sets Up Two Agencies at Little Rock

General American Life has changed one of its last remaining branches to a multiple agency operation. Harry L. Ehrenberg has been named manager of a new district at Little Rock, Ark., and Carroll Thomas, with the company there since 1926, first as general agent then as branch manager, will now serve as district manager.

Mr. Ehrenberg entered insurance in 1937 and since 1952 has been with New England Life at Little Rock.

Pru Names Abernethy 2nd Vice-President

Prudential has elected Hugh Abernethy a 2nd vice-president.

Mr. Abernethy, who has been executive general manager of investments and assistant treasurer of the western home office at Los Angeles, will be transferred to the south-central home office at Jacksonville. He will replace E. S. Allsopp, who recently was elected vice-president in charge of a new department to handle commercial and industrial loans at the Newark home office. Mr. Abernethy has been with the company since 1930.

Pru Liberalizes Retirement Rules

Prudential has liberalized provisions for its office employees who retire before their normal retirement date. Under the benefits program, employees may retire within 10 years of normal retirement date. The changes, effective this year, generally increase the pensions payable to those retiring within 10 years of the normal date and permit them to continue full hospital, surgical, polio and major medical coverage under existing plans until age 65.



THE TRAINING PROGRAM WORK AT STATE MUTUAL?

When a new man joins our Company he is immediately enrolled in a two-year course of study under careful supervision. Those who successfully complete the studies gain a solid and useful background in life underwriting.

The added knowledge they gain, beginning with basic selling fundamentals and ending with specialized field work in programming, not only helps them to earn more money, it also greatly increases their job satisfaction.

Later, for those qualified men who would like to investigate opportunities in agency management, State Mutual maintains a Management Training and Market Development Center in Pittsburgh. Here in this field laboratory an individual can come to a definite opinion, after on-the-job training, as to his potential success as a field manager. And all of this is done without in any way jeopardizing his position as an underwriter. By now you've probably gathered—TRAINING is a mighty important subject around State Mutual.

**STATE MUTUAL LIFE
Assurance Company**
OF WORCESTER, MASSACHUSETTS

Hagedorn Opens Group Department Headed by ex-Equitable Ace

NEW YORK—The Hagedorn brokerage firm, one of the country's largest, has formed a group life department, with Louis Mouquin in charge. Mr. Mouquin is a CLU and also holds the corresponding property and liability designation, CPCU. He is one of the top producers of group insurance, having led Equitable Society in group life for 1955.

Hagedorn & Co. specializes in cotton insurance but its life insurance business has increased substantially in the last 10 years.

Mr. Mouquin will assist the firm's clients in the selection and installation of group business life insurance and estate planning service. He said that this comprehensive service to clients has already been well received by counsel of many firms, who see the

present day need for coordinating insurance with tax, legal and accounting matters.

Mr. Mouquin said that in his judgment the insurance business has neglected an opportunity in working with many business firms that employ fewer than 200 persons. He feels that there is a great opportunity for leading multiple-line brokerage firms, well established in their communities, to meet the need for personal insurance coverage on both a group and individual basis.

February Sales Hit Peak

Indianapolis Life last month recorded the largest volume of paid business of any February. Volume of \$4,337,889 was a gain of 40.6% over the same month of 1955. Business for the first two months of the year is up 19.6% over that of the same period last year.

Nate Kaufman of Shelbyville, Ind., was the leading individual producer and his agency also topped all other agencies.

Show New York '55 A&S Results

Shown below is the A&S business written in New York by all classes of insurers doing business in that state, as well as the business of Blue Cross-Blue Shield organizations. Premiums are direct premiums for life and multiple line companies. Losses for fire and casualty companies are incurred losses, while life company losses are direct losses paid. Hospitalization business is shown on a net premiums and losses paid basis.

Totals for the business of life and casualty insurers are \$276,054,294 premiums and \$171,669,735 losses; and for Blue Cross-Blue Shield, \$222,465,553 premiums and \$183,548,287 losses.

	ACCIDENT & HEALTH	Premiums	Losses
	\$	\$	
Accident & Casualty	235,958	107,831	
Aetna Casualty	11,272	360	
Aetna Fire	38,552	3,851	
Aetna Life	15,624,986	11,107,144	
Amalgamated Life	11,458,278	8,332,544	
Amer. Auto	194,172	82,431	
Amer. Casualty	1,318,176	256,476	
Amer. Employers	165,994	17,780	
Amer. Guar. & Life	100,305	51,550	
An. Hardware Mut.	141,113	99,667	
American Motorists	384,228	188,391	
Amer. Mut. Liability	1,225,323	873,113	
American	80,029	32,580	
Amer. Policyholders	1,287	4,378	
American Re	7,659	16,647	
Amer. Surety	46,938	7,709	
Associated Indemnity	13,457	9,975	
Atlantic Mut.	480,477	216,993	
Bakers Mutual	76,033	36,614	
Bankers Life, Ia.	428,205	304,376	
Bankers Sec. Life	139,503	18,716	
Ben. Assn. Ry. Empl.	755,615	517,301	
Berkshire Life	239,190	83,864	
Boston	27,818	15,819	
Canada Life	754	266	
Car & General	7,476	3,590	
Central Surety	—	—	
Century Indem.	573,006	214,916	
Citizens Casualty	31,037	24,342	
Columbia Casualty	44,935	18,195	
Columbian Mut. Life	1,114,608	412,028	
Columbian Nat. Life	364,942	225,433	
Commercial	1,915,862	1,238,803	
Comm. Travelers, Utica	2,418,973	1,571,762	
Companion Life	197,243	118,442	
Confederation Life	87	82	
Conn. General Life	11,686,141	8,773,622	
Consolidated Mut.	70,846	21,560	
Cosmopolitan Mut. Cas.	189,172	97,063	
Continental Assur.	2,396,443	1,807,818	
Continental Cas.	14,415,115	7,566,539	
Credit Life	132,420	7,832	
Eagle Fire, N. Y.	88	2,187	
Eastern Casualty	1,636,534	1,103,587	
Eastern Life	553	—	
Fairlane State Life	1,800,411	997,908	
Employers Fire	1,307	—	
Employers Liability	419,952	180,428	
Employers Mut. Liab.	1,160,860	532,250	
Employers Reins.	47,950	16,394	
Equitable Society	20,841,302	15,543,981	
Exchange Mut. Indem.	50,435	18,061	
Farm. & Traders Life	32,735	10,064	
Federal	63,499	4,149	
Federal Life & Cas.	1,341,171	570,877	
Fed. Mut. Imp. & Hard.	10,284	5,761	
Fidelity & Cas.	1,096,631	69,889	
Fireman's Fund	90,839	718,765	
Fireman's Fund Ind.	1,226,073	—	
Franklin Nat.	927	220	
General Acc.	697,547	333,646	
General F. & C.	26,894	—	
General Mutual	49,387	17,994	
General Re	177,282	110,569	
Glens Falls	375,641	129,961	
Glens Falls Ind.	3,256	—	
Globe Indemnity	1,266,897	676,302	
Great Amer. Ind.	148,817	16,145	
Guardian Life	369,042	68,370	
Hardware Mut., Wis.	416,651	309,891	
Hartford Accident	2,877,110	1,452,589	
Health Service	1,310,468	1,169,841	
Hearthstone	599,259	158,621	

	Premiums		Losses
	\$	\$	
Home Indemnity	252,721	141,103	
Home Life, N. Y.	929,014	486,662	
Ind. of N. A.	3,541,061	1,692,822	
Ins. Co. North Amer.	2,802	2	
Interboro Mut. Ind.	34,835	15,827	
Jamestown Mut.	42,437	25,568	
John Hancock	6,213,576	4,549,694	
Liberty Mutual	3,372,886	2,575,488	
London Guarantee	30,207	11,643	
London & Lanc. Ind.	118,164	52,306	
Loyal Prot. Life	287,523	97,810	
Manhattan Life	13,310	1,500	
Manufacturers Cas.	74,300	23,948	
Maryland Cas.	521,464	250,332	
Mass. Bonding	1,111,082	530,897	
Mass. Indemnity	1,497,334	497,286	
Mass. Mutual Life	1,541,721	1,069,403	
Mass. Protective	759,643	366,367	
Mechanics & Traders	533	—	
Medical Indemnity	7,958	5,102	
Merchants Ind.	169	—	
Merchants Mut. Cas.	464,918	188,197	
Metropolitan Cas.	1,587,764	946,417	
Metropolitan Life	43,471,970	30,337,100	
Mich. Mut. Liab.	50,267	8,415	
Monarch Life	2,709,517	1,224,827	
Mutual Benefit H. & A.	20,269,759	11,968,018	
Mutual Life, N. Y.	263,261	73,292	
Natl. Casualty	3,323,390	1,865,772	
Natl. Hartford	32,758	4,642	
Nat. Grange Mut. Liab.	742	250	
National Surety	7,881	3,805	
Nationwide Life	1,311	1,267	
Nationwide Mut.	707,188	386,658	
Newark	48,479	26,426	
New Amsterdam Cas.	443,083	173,921	
New England	14,800	4,289	
New Eng. Mut. Life	13,998	2,784	
New York Mutual Cas.	320,880	158,795	
New York Life	2,872,768	1,927,184	
N. Y. Ptrs. & Brks.	140,743	48,727	
North Amer. Accident	1,985,806	763,279	
N. A. C. & S. Re	169,712	19,044	
No. Am. Reassur.	13,549	4,320	
Ocean Accident	204,903	71,977	
Ohio Farmers Ind.	21	—	
Old Colony	13,532	5,102	
Old Repub. Credit	202,813	93,868	
Paul Revere Life	1,559,357	698,263	
Peerless	103,773	24,014	
Phila. F. & M.	1,198	6	
Potomac	18,043	7,695	
Prov. L. & C.	511,599	362,913	
Prov. Mut. Life	41,819	3,640	
Prudential	15,624,915	9,025,230	
Public Service Mut.	190,970	79,038	
Queen Corp.	16,665	20,566	
Reins. Corp., N. Y.	630	—	
Royal Indemnity	1,632,579	842,230	
St. Paul F. & M.	75,879	—	
St. Paul-Mercury	89,322	46,548	
Security Mut. Cas.	173,527	122,755	
Security Mut. Liab.	46,564	20,826	
Secur. Mut. Life, N. Y.	4,521,631	3,017,908	
Springfield F. & M.	1,165	953	
Standard Accident	210,089	100,244	
State Mut. Life	1,051,416	570,118	
Transportation	71,820	205,544	
Travelers	25,061,211	16,001,501	
Union Cas. & Life	3,366,613	2,817,593	
Union Labor Life	5,141,828	1,286,305	
United National	931,720	414,182	
U. S. Casualty	147,382	65,254	
U. S. F. & G.	336,268	112,843	
U. S. Life	3,418,768	2,302,434	
Utica Mutual	383,137	163,718	
Victory Mut. Life	69,304	21,694	
Yorkshire	12,567	5,636	
Zurich	3,523,228	1,920,834	
Totals	276,054,204	171,669,755	

HOSPITAL & MEDICAL

	Direct	Losses
	Premiums	Incurred
	\$	\$
Assoc. Hosp., Albany	7,838,917	6,301,899
Assoc. Hosp., N.Y.C.	104,818,474	92,310,665
Central N. Y. Med. Plan	1,893,622	1,475,724
Chautauqua Reg. H. S.	621,691	523,450
Chautauqua Reg. M. S.	210,308	154,010
Genesee Valley	4,536,965	3,346,588
Group Health Dental	1,012	546
Group Health Ins.	3,000,000	2,075,859
Group Hosp. Service	6,433,979	5,943,543
Health Ins. Plan, N.Y.C.	15,950,903	12,742,685
Highschool Ath. Prot.	195,648	129,344
Hospital Plan, Inc.	3,026,627	2,481,847
Hosp. Service, Jeff. City	(Not filed by Mar. 2)	
Hosp. Service, W. N. Y.	15,192,159	12,937,946
Med. & Surg. Care	1,769,695	1,262,861
Northeastern N. Y.	2,341,162	1,801,925
Rochester H. S. Corp.	8,269,963	7,243,354
United Medical Serv.	40,726,404	28,711,239
Western N. Y. Med.	5,638,024	4,084,802
Totals	222,465,553	183,549,387

Review Illinois Legislation

Chicago Life Agency Supervisors Assn. at its March meeting heard a discussion of possible state legislation, especially as it applies to group insurance and agents' licensing. Speakers were A. D. Crow, Lincoln National general agent at Chicago, legislative chairman of Illinois Assn. of Life Underwriters, and Vincent T. Filippini, Prudential, chairman of Chicago Council of Field Underwriters.

Lee Orton, treasurer of Vigilant of Chub & Son group, has been named a director. He is also a director of Manhattan F. & M.



SURE . . . WE BROKE ALL PRODUCTION RECORDS IN '55!

Who didn't? We could beat our breasts in pride, but that isn't the reason we like to break records. It means to us that our men in the field made so much more money! That fact is what makes us happy.

STANDARD LIFE INSURANCE CO. of IND.
INDIANAPOLIS, INDIANA

GENERAL AGENCIES OPEN IN Arkansas • Arizona • California
Delaware • Florida • Georgia • Illinois • Indiana • Kentucky
Maryland • Michigan • Missouri • New Mexico • Pennsylvania
Tennessee • Texas • Virginia • West Virginia

Panel Discussion on Training Highlights Los Angeles Meet

With a panel discussing "training," Los Angeles Life Managers Assn. held the second of a series of meetings at which members are giving their views on selected topics. Recruiting was considered at the first meeting.

Panel participants were Robert Wilkinson, New York Life; Neal T. Reilly,



"We can always look ahead with Pacific Mutual"

says June Denman, wife of R. Earl Denman (The Gantz Agency, Cincinnati)

"Even when Earl has had one of his best years, we both know that his next year can be even better. Pacific Mutual and progress are synonymous—and that inspires a man. For myself, there's inspiration in knowing that Earl's career is permanent."

June Denman's husband is the current Pacific Mutual Production Champion and President of the Big Tree Club—the tenth time he has achieved these honors in his 30-year career.



Pacific Mutual

LIFE INSURANCE COMPANY

PACIFIC MUTUAL BUILDING
LOS ANGELES 14, CALIF.

LIFE • ACCIDENT & SICKNESS
RETIREMENT PLANS
GROUP INSURANCE

Equitable of Iowa, and John Edmundson, Union Central Life.

One of the uppermost questions in the mind of the average prospective agent is the type of training he will receive, according to Mr. Wilkinson. He said his agency holds 13 basic training sessions of 1½ to two hours each on needs, sales process, prospecting, contracts, management of time, etc. The new agent also goes through the first eight assignments of the company training course, and then enters the field.

Intermediate training is the most important category of all, Mr. Wilkinson averred. During this period the agent learns the attitudes, habits and skills which will form the foundation of his career. Whether he will survive in the business or terminate usually is determined during this period.

During the intermediate period, Mr. Wilkinson said, the agents in his office attend weekly classes. They also continue with the company training course, furnish weekly reports, which are analyzed with them individually, and after six or eight months attend a divisional career conference.

Mr. Reilly said Equitable considers an agent as being in basic training for six months, though he enters the field after three weeks of actual office training. The main goal the first three weeks is for the agent to master completely a package sales talk and to learn good work habits. He also receives other fundamentals as well as simple programming guidance.

Mr. Edmundson remarked that his company prefers to start the new man's training through a correspondence course. The new men also get strong direct mail support so that they have a large number of prospects before they actually enter the field.

Intermediate training is the critical period, Mr. Edmundson noted, adding that in changing a man from a correspondence course to more advanced training, tremendous emphasis on salesmanship is made. There are many individual sessions with the men, practicing opening interviews, closing interviews, with continual stress on salesmanship even more than technical knowledge. He says his company uses the Diamond Life Bulletins intermediate course. He added that he finds his company must keep the best new men from getting into business insurance too soon and tax work. He interpreted this as an indication they probably want prestige every bit as much as they want commissions.

Honor Beard, Freedman

Ralph E. Beard of Fort Wayne, Ind., and Gerald H. Freedman of Trenton, N.J., have been named "rookies of the year" by Midland Mutual Life. The men received engraved trophies for doing the "best all-around job" in their first contract year.

Wives of Metropolitan Agents Take Course in Life Insurance

Wives of leading Metropolitan Life agents attended a 2-day course in the principles of life insurance while their husbands were participating in a 3-day business meeting at Hollywood, Fla.

The optional course was designed to give the women an opportunity to learn the fundamentals of their husbands' business. It was the first time the company offered such a course. A hundred top agents attended the conference, which closed with a talk by President Frederic W. Ecker.

Columbian National Makes 6 Appointments

Columbian National Life has made these promotions and appointments:

Joseph A. Kelly becomes vice-president and counsel and is a director.

Charles F. Nettleship Jr. becomes vice-president and treasurer. He is in the investment field.

Elliot C. Laidlaw becomes vice-president. He joined the company in 1923 and is in personnel work.

Robert C. Theall becomes agency assistant. He joined the sales depart-

ment in 1952 and has been field supervisor of A&S sales.

Francis E. Hannon, with the company since 1948, and William T. Condon, with the company since 1953, become associate counsel and assistant counsel, respectively.

Larson Unopposed for Fourth Term in Florida

Commissioner J. Edwin Larson of Florida, completing his fourth term in this office, is unopposed as a candidate for reelection.

try this hat for size!

That's what it boils down to when a new man joins the Capitol Life. Contracting with a new company is much the same as buying a new hat. You want your hat to fit well...to wear longer...and to fully meet your personal needs. That's why we at the Capitol Life have placed a lot of emphasis on our Agent Contracts.

Our objective was to develop contracts that fully meet the needs of each new man in terms of his experience, qualifications, and personal requirements...to develop contracts that not only "fit well and wear longer" but ones that will meet the real human needs of the Agent. We're proud to say we've reached our objective. You can find proof of this in the fact that more and more men are joining the Capitol Life each month. More and more men are finding out they can finally get many of the things they have a right to expect from the insurance business...with one of the West's fastest growing regional companies.

We think you'll like our philosophy of "finding the hat that fits." Capitol men do. Just ask any Capitol Life representative.



WRITE: Thomas F. Daly II, Vice President and Director of Agencies.

Oppose N. J. Plan on House Confinement

(CONTINUED FROM PAGE 1)

whose confinement is broken prior to the expiration of the minimum period—(after which loss of time payments would continue during total disability regardless of confinement) but who continues to be totally disabled after breaking confinement. These non-confining benefits also should be payable even where the policy does not provide loss of time benefits for the actual period during which he is confined. The aggregate available amount of these non-confining loss of time benefits, which are not to be made contingent on compliance with house confinement requirements for any minimum period of time, must be at least equal to the maximum aggregate loss of time benefits under the policy for the first 12 months of compensable total disability on the assumption that a claimant meets all of the re-

quirements for the maximum payments available thereunder. The period over which such minimum aggregate amount of non-confining loss of time benefits may be made payable during the continuance of total disability shall not exceed 24 months."

Rule 2 says: "The use of the requirement of necessary and continuous confinement as a criterion of disability in policies providing loss of time benefits for periods not exceeding two years will be permitted up to a maximum of the 2-year period immediately following the onset of the sickness causing disability provided the policy also pays benefits for non-confining disabilities. The period for which such non-confining benefits shall be payable must be at least half the period for which confinement is required where the amount of the non-confining benefit is the same as that paid when the claimant is confined. If the amount of the non-confining benefit is one-half of that paid when the claimant is confined, the period for which such benefits shall be payable must be at least equal to the difference between the period for which such confinement is required under the policy and the period for which benefits were actually paid for confining disability."

"The requirements in the case of policies providing loss of time benefits for periods exceeding two years are the same as those for policies providing loss of time benefits for life."

The basic issue, Mr. Hanna declared, is whether prospective policyholders are misled by confinement provisions or whether it is up to the department and the industry to see that they are not misled.

"The proposed rules virtually destroy the entire use of confinement provisions," he said. They rule out short-term, long-term and lifetime benefit policies. Is it a matter of "killing the patient," that is eliminating confinement provisions, to "effect the cure," which is seeing that people do not misunderstand the provisions? he asked.

The consensus was that the solution of the problem should be sought through fair competition between companies, Mr. Hanna continued. The best contract varies from person to person, with cost and need determining what is bought. There are few non-confining

lifetime benefit policies sold, due to the fact that they require strict underwriting and high premium.

In protecting the public, the companies carefully explain the provisions and decide what is the best buy for the customer, Mr. Hanna pointed out. It gets down to whether the companies will explain these provisions and let the people buy the policies or not, or else not sell the coverage.

The NAIC advertising committee is seeking to set up a guide to show how policies should be advertised, he noted. NAIC rules call for explicit explanation of some things. There is merit in seeing if the confinement matter can be approached through NAIC, he asserted.

Commissioner Howell said it would be difficult to explain house confinement provisions in advertisements because there are no figures on how many persons would be excluded.

Mr. Hanna replied that, while negative advertisements have little value, he felt that confinement provisions could be explained to people for them to decide.

John Savarese, vice-president for legislation of New Jersey A&H Underwriters' Assn., said his group has taken no stand on the issue. But, he said, he did not think honesty could be legislated in the selling field.

Eston V. Whelchel, another vice-president of the association, remarked that he was sure Mr. Howell realized the full value of training, since he, Mr. Howell, is a CLU. He said agents are well trained in confinement provisions and listed some courses available to them. Progress is being made, and more will be made, if these provisions are retained.

George Francis, agent of five A&S companies in Linwood and the mayor, likened the house confinement provision to the deductible of which agents are selling much more. Agents tell prospects what the policies will and will not do. The implication by the department in this case is that the agents are not doing the type of job they should in explaining the policies, he said.

Agents are able to start young men on their insurance programs by selling them low cost insurance containing the confinement provision, Mr. Francis said. This provision is explained to the client. Later, when the young man can afford it, he is graduated to a more liberal policy.

Many local doctors, who also are friends of their patients, fill out their benefit application forms in a liberal way when it comes to house or bed confinement provisions, Mr. Francis pointed out.

W. Harold Bittel, chief actuary of the department, said that no one knows what happens when people have long disabilities, that is, how they qualify under long confinements. He asked how the companies know what they are selling in terms of coverage of total disability. He answered this himself by saying that no one knows what kind of coverage the companies are selling under their lifetime benefit policies. The death rate is very high or else people recover in long confinement cases. The confinement provision is needed at the outset of the illness, not later, he said.

Mr. Bittel wondered how many people understand how easily confinement provisions can be broken and how many agents explain that to them. While it is true that administration of house confinement provisions has become more and liberal, mutual com-

Life

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**life insurance in force exceeds
\$935,000,000.00**

PLUS: One of the most advanced agents training programs in the nation . . . Supervised offices . . . Trained Group men to assist agents . . . An alert Underwriting and home office staff . . . Top commissions.

REPUBLIC NATIONAL LIFE

INSURANCE COMPANY

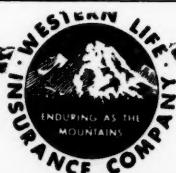
Theo. P. Beasley, President

Home Office, Dallas

FEET ON THE GROUND

Inspiration is golden—if it also pays the bills. You may earnestly believe you work for the finest company in the business. But unless it provides sufficient earnings to care for your family and enough spare time to enjoy it, then you've yet to get your feet on the ground.

Western fieldmen are among the happiest in the business—their heads may be in the clouds but their feet are standing solid. They have a world of incentive—in money, recognition, and time they can call their own. If you'd like to be realistic about the future, let us tell you how well you should be doing. No obligation. Your manager's recommendation will help.



R. B. RICHARDSON, Pres.
LEE CANNON, Agency V.P.

Assets over \$70,000,000 • Insurance in Force over \$290,000,000

March 16, 1956

LIFE INSURANCE EDITION

25

panies cannot legally ignore the provisions even if they want to, he said. Some companies want the provision in the policy, but will ignore it.

"You can't properly sell a policy with long-term disability benefits if you can't tell the prospect what his chances of total disability are; and the companies have produced no figures on this," the chief actuary said. As for the proposed rules, he said, they can be revised to state more clearly what they provide.

The house confinement provision is simple to understand because it means just what it says, Joseph O'Regan, counsel of the conference, said. Companies should not be criticized for liberal administration or interpretation of the definition of house confinement. There are differences in how people go into the yard or ride in the car, he said. The non-cancellable writers of long-term disability are selective in their underwriting. Many company men do not understand the department's proposed rules, he added.

Mr. Bittel said that no one could tell him the proportion of longtime ill people who are continuously confined to the house under lifetime coverage.

S. P. Hutchison, assistant general counsel of Washington National, replied that there is a need to know who are really totally disabled. Many are retired or just do not want to go back to work. The moral hazard is a big factor, and because of this it may be difficult to find a premium rate for lifetime benefit policies, he said.

Bernard R. Stone special counsel of Mutual Benefit H&A, former Nebraska director, quoted a 1934 speech by Valentine Howell, executive vice-president of Prudential, who pointed to moral turpitude as the major difficulty with income disability policies written unsuccessfully by life companies. Mr. Stone, seeing the possibility of much malingering in a business depression, thought the department's proposals go too far in trying to remedy what it thinks is an evil.

Mr. O'Regan wanted to know what would happen in 10 or 20 years, if hard times come, to companies which have issued guaranteed renewable policies with adjustable premiums and no confinement provisions, written to provide lifetime benefits.

Mr. Savarese suggested adding bold face captions, "house confinement" and "non-house confinement," to policies to reduce misunderstanding.

Commissioner Howell indicated the recommendation had value but felt the question would still be left in the buyer's mind as to what percentage of disabilities would be covered.

"We want people to have a choice

of coverages and we think we can explain what they are buying," remarked Mr. Hanna.

Joseph H. Norton, vice-president of Continental Casualty at New York, noted that Travelers and Equitable Society, which wrote most of the income disability, "significantly have not returned to the field." He disagreed with Mr. Bittel's contention that house confinement provisions cannot be explained.

The companies cannot tell the prospect what his average chances of house confinement are under total disability, said Mr. Bittel, yet they emphasize total disability coverage.

The conditions are in the policy, Mr. Norton replied.

Mr. Hutchison, who appeared for Life Insurers Conference, said the majority of its 93 members write industrial, but only three—his company, Progressive Life of Red Bank and National A&H of Philadelphia—write industrial A&S in New Jersey. These three are directly interested in the proposed rulings and the conference has a general interest because of the chance that a pattern might be established which would affect industrial A&S in other states.

Because of the relatively small amounts involved, it is not practical to process industrial claims in the same manner as claims are handled under commercial contracts, Mr. Hutchison said. While doctors' reports are used, other documents and statements are not. Because local agents, who are not always skilled adjusters, make the settlements, they need some criteria to determine disability, particularly of women and children. In neighborhoods where industrial is sold, agents, physicians and residents in general keep insured aware of the confinement provisions. The conference did not feel that misunderstanding is a problem with industrial A&S.

Industrial generally covers short-term disabilities, usually not more than six months, Mr. Hutchison said. Policies sold to women and minors are for small amounts, and the benefits are for medical attention rather than for income replacement. The bed confinement provision, restricted to women and children, and the house confinement required for men have not produced inequity nor resulted in misunderstanding of dissatisfaction among policyholders, he said. Other departments have recognized the need for these restrictions in industrial A&S policies, and California made specific allowance for them in 1951.

Mr. Hutchison asked New Jersey to give similar consideration to this dif-

ference. His remarks were in reference to the last sentence of rule 4 which stated: "Such provisions under which confinement to bed is also required will not be permitted under any circumstances."

In addition to the eight men who spoke, the audience included 10 interested observers from the industry and three visitors from the New York department.

Conference Members Get Ballots on Dissolution

Members of H&A Underwriters Conference have been sent ballots for a mail vote on the dissolution of the conference. The ballots are to be returned to conference headquarters in Chicago by March 21 where they will be tabulated. The resolution to be voted on provides that the conference will dissolve at the same time as the new Health Assn. of America is activated.

Pru Names Long at Harrisburg

Prudential has appointed Forrest D. Long district manager in Harrisburg. Mr. Long, with the company since 1932, has been district manager at Reading, Pa., since 1945.

Lehman, Union Mutual V-P Named Secretary also

A. Thomas Lehman, vice-president and actuary of Union Mutual Life, has also been elected secretary. He succeeds Harold D. Lang, who retired Jan. 1, after 46 years service.

Mr. Lehman joined the Union Mutual 22 years ago as actuary after having been actuary for North American Life & Casualty, Standard Life of Pittsburgh, and Detroit Life. He was also state actuary for the Indiana department for two years and examiner and assistant actuary for the Iowa department for 1½ years. He is a fellow of the Society of Actuaries.

Plan Okla. Insurance Week

Gov. Gary of Oklahoma has proclaimed March 18-24 Life Insurance Week. Oklahoma Assn. of Life Underwriters plan a state-wide program to better acquaint the public with life insurance. Members will address civic clubs, erect displays, donate insurance books and magazines to libraries and carry on a comprehensive service campaign.

As a climax, Gov. Gary will address the Oklahoma City association at a luncheon March 23.

35th Annual Statement

December 31, 1955

ASSETS

U. S. Government Bonds.....	\$ 6,859,652.63
Public Utility Bonds.....	5,891,830.27
State, County, and Other Bonds.....	6,547,206.65
Preferred Stocks	627,252.07
Mortgage Loans	10,354,490.75
Policy Loans	2,343,841.67
Real Estate Owned.....	645,546.19
(Including Home Office Properties)	
Real Estate Sold Under Contract.....	247,948.17
Cash in Banks.....	552,912.14
Interest Due and Accrued on Investments.....	210,059.90
Net Uncollected and Deferred Premiums.....	624,387.26
All Other Assets.....	34,713.49
Total Assets	\$34,939,841.17

LIABILITIES

Policy Reserves	\$29,333,998.00
Additional Policyholders' Funds.....	1,160,387.68
Reserve for Policy Claims.....	46,194.00
(For Claims Reported but not yet completed)	
Reserve for Premiums and Interest paid in advance.....	374,514.32
Reserve for Policy Dividends held on deposit	
and dividends payable in 1956.....	1,071,649.55
Reserve for Taxes and Other Liabilities.....	325,974.98
Security Valuation Reserve.....	142,156.37
Total Liabilities	\$32,454,874.90

SURPLUS FUNDS EXCLUSIVELY FOR PROTECTION OF POLICYHOLDERS

Special Contingency Fund.....	\$ 100,000.00
Unassigned Surplus Funds.....	2,184,966.27
Paid-in Capital Stock.....	200,000.00

Total

WITH PUBLICATION of this 35th annual statement, Victory Life is pleased to announce all-time highs in many categories. Insurance in force as the year 1955 ended was \$131,165,656.00. Just four years ago the one hundred million dollar mark was passed. Capital and surplus funds of the Company neared two and one-half millions . . . with \$2,484,966.27 on December 31. This figure four years ago was \$1,854,590.50. Admitted assets during that same period increased from \$23,221,680.69 to \$34,939,841.17.

The **VICTORY LIFE**
INSURANCE COMPANY
Topeka, Kansas

1956 25 Years of Progress

100,000,000 Insurance in Force —

Based on SAFETY — INTEGRITY — SERVICE

Write R. D. Cannell, agency vice president for information about opportunities for agents in 11 western and midwestern states.

UNION NATIONAL
Life Insurance Co.
13th and N
LINCOLN, NEBRASKA

Mass. Sale Plan for Ordinary Starts Well

(CONTINUED FROM PAGE 2)

program will be made available by Mutual Benefit's organization at no cost.

The program has already proved through field testing that it can enable agents to sell life insurance with greater efficiency. The program has also been warmly received by employers.

Here are some comments:

Jack Vee, personnel officer of Pennsylvania Light & Power Co.: "This is the finest and most unusual type program I have ever seen. I will be very glad to show this to the foremen group and upward. This is actually a course for all employees of the corporation."

Robert Jeffries, president of New England Auto Products Corp.: "I am ready to use this immediately. Corporations spend thousands of dollars educating their top executives, when actually it is the second line executives who need this program most, and this answers that problem."

T. Alexander Vaughney, executive vice-president General Acceptance Corp.: "Very, very good. This is the type of program all executives need, regardless of position."

A. Arthur Huston Jr., attorney and tax consultant: "Certainly this brings to the attention of everyone who see the film the necessity of doing something immediately in their financial programming. I would think the trust officers would be fighting to have this shown for the benefit of their respective banks."

Lawrence Appley, head of American Management Assn., has arranged

a complete showing of the program for his division managers.

George Corliss, retired management development adviser for Standard Oil of New Jersey: "One of the most vital areas in American business today is the development and training of management personnel. Mutual Benefit Life makes a valuable contribution with this new program. Whether or not a company already has a training program of its own, exposure of management personnel to the series of one-hour conferences should add substantially to over-all effectiveness."

A top executive of the U. S. Chamber of Commerce in Washington has arranged to have the film "Making Money Work" shown to the entire staff of the organization. His comment: "We have been looking for exactly this type of thing for a long time."

* * *

Here is a summary of answers received by Mutual Benefit in its survey of 500 leading companies on management policies:

1. A high degree of interest was shown in leadership training and self-development for key personnel; 90.6% of all respondents hold periodic meetings of salaried supervisory and management personnel; 70.2% have a company-sponsored program relating to leadership training and self-development, and an additional 16.3% are considering such a program.

2. Interest and progress have been greatest among the largest companies. Many of them join the majority of smaller companies in expressing a need

and desire for outside help.

3. Of those companies that have a program, 46.1% are satisfied with the content and material to date; 15.7% are qualifiedly satisfied; 38.2% are not now satisfied.

4. The three most often mentioned shortcomings of junior executives were (in this order): (1) inept human relations with subordinates or superiors; (2) lack of initiative and leadership; (3) failure to plan ahead. But lack of initiative and leadership ranked first instead of second as the greatest problem of management. Eighty-six percent of the respondents have made attempts to correct these faults.

5. Over half the respondents would be enthusiastic about a program designed to train executives in self-development and leadership and to encourage individual initiative, if such a program were offered without cost by an outside organization. Almost nine out of 10 believe anywhere from a few to many or most of their key personnel would be interested.

6. The survey brings out difficulties to be overcome, the principal one being to set up a standardized program that would be sufficiently adaptable to apply to all requirements and situations.

7. Over half the respondents believe that material designed to help the executive organize and plan his own finances would have a natural place in such a program. Principal benefits cited accruing to a company from such financial planning training: Helps make executive more confident and capable of sound, long-range planning; removes distractions caused by financial worries; makes better candidates for advancement and responsibility.

8. Almost all companies have security and protection plans, including hospitalization, group life insurance, A&S insurance, and a pension plan. For all of these except the pension plan, the cost is shared by the company and the employees in about two-thirds of the companies and in most of the remainder the cost is paid by the company.

For the pension plan about half of the companies pay the cost and a little less than half share the cost with the employee. Slightly over 50% have stock option or purchase plans and 38% have a profit-sharing plan. The pension plan (either company paid or shared with the employee) is considered most effective in attracting and holding executives.

9. Over 90% of the companies make efforts to acquaint executives with benefits offered, and nearly as many believe executives understand and appreciate these benefits. Printed material is favored over group meetings for this purpose but both are widely used.

Bankers, Nebraska, Raises Seward to Comptroller

Harry P. Seward Jr. has been named comptroller of Bankers Life of Nebraska.

Mr. Seward joined the company in 1940, was named manager of policyholder's service in 1947 and assistant secretary in charge of the accounting department in 1949.

H&A Underwriters Conference, LOMA Set Joint Meeting

H&A Underwriters Conference and Life Office Management Assn. will hold their second joint office methods and procedures forum, March 26-27, Drake hotel, Chicago.

Program Chairman Burgh Johnson, Guardian Life, says the forum is designed to encourage the trading of operational know-how between life and A&S experts. For example, two top subjects will be job enlargement and work measurement.

Job enlargement, or the art of expanding employee capabilities, will be discussed by E. A. Robie, Equitable Society. Joseph Cosby, Metropolitan Life, will report on LOMA work measuring system, specially tailored to the needs of the industry.

Also programmed are panel discussions on claim and issue procedures. Moderator of the claim panel will be Robert B. Savage, Wisconsin National Life, chairman of the conference-LOMA committee. Panel members: George F. Monks, New York Life; E. W. Beresford, Old Line Life, and L. F. Larger, Washington National.

Leader of the issue procedures symposium will be Mr. Johnson. Panelists will be George Zevnik, Guardian Life; John W. Cromwell, Great American Reserve, and C. L. Matthews, Mutual Trust Life.

Workshop discussion leaders Hilton Campbell, Republic National Life, and Richard H. Parish, Security Mutual Life of Binghamton, will handle issue procedures. Gordon Grady, Monarch Life of Massachusetts, and I. W. Kimmerle, North American L&C., will conduct the workshop on claim procedure.

Mr. Savage will preside at the workshop on job enlargement; Donald J. Schonberg, Mutual Benefit H&A, on work measurement.

Scheduled to open the meeting are John P. Hanna, managing director of the conference, and Frank L. Rowland, managing director, LOMA. A reception will be held Monday evening, will be held Monday evening, March 26.

Bill to Curb Holders

Naming Directors

A bill which would allow the insurance superintendent to bar large stockholders from voting in the elections of directors of insurance companies has been introduced in the New York legislature. The insurance department is not sponsoring the bill, nor has it approved it, according to a department spokesman.

The bill, it is said, is intended to prevent such cases as one which arose in New York City in which two former title insurance company officials are accused of taking \$187,000 and issuing 16,000 shares of worthless stock. It would prohibit anyone holding 12½% or more shares of stock in a company from voting in an election of directors unless he were licensed to do so.

ILLINOIS MUTUAL CASUALTY COMPANY'S

NON-CANCELABLE AND

GUARANTEED RENEWABLE TO AGE 65 ACCIDENT AND SICKNESS POLICY

provides

the MODERN Way to protect against loss of income when

ABILITY TO EARN

is abruptly stopped by Disability from Accident or Sickness

WITH THIS POLICY

1. The insured alone can effect its cancellation
2. It cannot be re-underwritten
3. Waivers cannot be added
4. Rates cannot be increased

The tax free indemnities provided in these policies help to keep income and expenses in balance when accident or sickness disability strikes.

We will welcome your inquiry concerning Direct Contract and Brokerage Arrangements.

Write
Home Office:
411 Liberty,
Peoria, Illinois

ILLINOIS MUTUAL
CASUALTY COMPANY
NON-ASSESSABLE

"Dependable Accident, Sickness, and Hospital Insurance since 1910."

E. A. McCord,
President
C. C. Inman,
Executive
Vice-President



B. N. WOODSON, CLU
President

American General

LIFE INSURANCE COMPANY

HOUSTON ★ TEXAS

FORD MUNNERLYN
Vice President & Agency Director

Commingling to Mean Loss of License, Holz Warns at Sales Congress

NEW YORK—Superintendent Holz again warned that the New York department will tolerate absolutely no violation of the law against commingling policyholder funds with those of agents or brokers. Speaking at the New York City Life Underwriters Assn. sales congress, Mr. Holz said producers were given a chance to clear up all these situations and since the deadline set last fall by the department, anybody violating the anti-commingling law can expect to have his license revoked.

Mr. Holz said that when he took office the department's practice was to fine the agent or broker and publish an announcement in the local paper. Yet violations were not being curbed but were actually increasing. He stopped the publicity so as to let violators get their houses in order and fixed the deadline date after which the license revocation penalty would be enforced.

Mr. Holz explained that it is for the agent's benefit as well as that of the company that the law be strictly enforced. He said some insurers have actually been in financial difficulties because of large amounts of money held by agents or brokers in their own accounts, although fortunately all of these situations have been taken care of without any loss.

Turner, Wolfe Get Field Posts for Bankers, Iowa

Patrick J. Turner and Thomas W. Wolfe have been named field supervisors of Bankers Life of Iowa. They will work out of the home office on specific assignments in all districts.

Mr. Turner was with the federal bureau of investigation before joining Bankers Life in 1953. He has been with the Bissell agency at Houston. Mr. Wolfe also joined the company in 1953 after previous sales experience in other fields. He has been with the home office sales unit.

G. R. Anderson New Fargo Manager for Occidental

Gordon R. Anderson, formerly assistant manager of New York Life at Fargo, N.D., has been appointed gen-

eral agent there for Occidental Life of California. He succeeds Mel H. Toussaint who resigned after 14 years in the position to become vice-president and director of agencies of Pioneer Mutual Life at Fargo.

Mr. Anderson has had 10 years of experience as an agent and assistant manager.

12 Japanese Inspect Life Business in U.S.

A 12-member study team of officials of Japan's eight leading life companies is making an intensive 6-week study of methods and procedures used by representative life organizations and companies in the east and middle west.

The tour is sponsored by International Cooperation Administration, the present Marshall plan unit affiliated with the State Department. The program, designed to present every aspect of the life business in the U.S., was planned by Arthur C. Daniels, vice-president of Institute of Life Insurance, aided by Frederic M. Peirce, associate director of company relations of LIAMA, and Frank L. Rowland, managing director of Life Office Management Assn.

After orientation by officials of ICA, the institute and LOMA in New York City, the team is scheduled to visit the New York insurance department, NALU and LUTC headquarters, home offices of Metropolitan Life, Prudential, New York Life, Lincoln National Life and Northwestern Mutual Life. They also will visit American Life Convention in Chicago, State Farm Life, Franklin Life, LIAMA, Aetna Life, John Hancock, New England Life, Provident Mutual Life, Wharton School, Huebner Foundation, American College, American Council of Education in Washington, the Departments of Health, Education and Welfare and Commerce.

After the tour, some of the visitors will go on to Great Britain and Europe to study the business there. Others will remain in the U.S. to visit LIAMA, LOMA, insurance departments and universities.

Bill to Reorganize V.A. Insurance

Sen. Smith of New Jersey, who sometimes acts as an administration spokesman, has introduced a bill to reorganize insurance operations of the veterans administration and to create a veterans insurance corporation. The Hoover commission has recommended projects along these lines, but they have been opposed, at least in part, by the veterans administration.

New Covers Issued by N. W. National

Northwestern National Life has made three changes in its group coverages and has introduced three new term policies.

The company is offering new group major medical, new life and casualty coverages for groups of 10 to 24 employees and improved casualty and group creditor rates.

The major medical will pay 70% or 80% of medical bills in excess of a selected deductible amount or in excess of a basic plan up to a maximum of \$10,000 in selected cases. The group life plan for 10 to 24 employees provides coverage on the life of each employee, likewise to a maximum of \$10,000 in selected cases.

The new term policies are 10-year convertible term, participating, minimum amount \$10,000; 10-year preferred convertible term, non-participating, minimum amount \$20,000; and 10-year renewable and convertible term, non-participating, minimum amount \$5,000.

All three are available to standard risks, all include waiver of premium up to 150% and all are convertible without examination during the full life of the policy.

Great-West Plans Parleys for Branch Managers

Great-West Life is holding a series of conferences for branch managers at the head office in Winnipeg.

Discussions will center on new products in both the individual and group insurance fields, intensification of manpower development, and the new and improved scale of dividends for policyholders which becomes effective April 1.

Humphreys to Be Renamed in Mass.

Gov. Herter has indicated he will reappoint Joseph A. Humphreys insurance commissioner of Massachusetts when the latter's three year term expires April 7. The post has been a lively one for Mr. Humphreys, due as is customary to compulsory automobile insurance rates, but more particularly the past year because of the surcharges for driving demerits.

J. A. Hibbard Elected President of Seattle Insurer

J. Alvin Hibbard has been named president of Old American Life of Seattle succeeding Jean Hibbard who becomes chairman.

Myrtle Lunn was named 1st vice-president, Ray L. White agency vice-president, R. J. Stayner vice-president, William K. Robinson secretary and actuary and J. P. Coghlan treasurer. Mr. White formerly was manager at Fresno, Cal., for Standard of Oregon.

The new president has both field and home office experience and has been serving as executive vice-president since 1952. Jean Hibbard entered insurance with Capitol Life in 1913, joining Metropolitan in northern Idaho in 1920. He founded Old American in 1945.

Michigan State Students to Vote on Term Cover

Students at Michigan State university, Lansing, will vote in a campus referendum in April on whether to enter into a plan for supplying term life coverage. To put the plan into effect, a 60% affirmative vote is required in accordance with a student government rule. The poll will be taken during registration for the spring term.



Bill Nalac's CORNER

"In a joint study with the University of Illinois, Advertising Age comes up with the disclosure that a representative group of insurance companies in 1954 spent 4/10 of 1 per cent of sales for advertising--lowest of all industries under study."

"One question suggests itself: what other business could spend such a relatively modest amount for advertising and still come up with such prodigious gains? The answer might be one of the most flattering commentaries imaginable on the deep-seated acceptance people have for our product."

NORTH AMERICAN Life and Casualty Company

HOME OFFICE: MINNEAPOLIS, MINNESOTA

H. P. SKOGLUND, President

J. E. SCHOLEFIELD, Vice President—Director of Agencies



LIFE • ACCIDENT • SICKNESS • HOSPITAL • GROUP

"One of the Best"

... a reputation earned by Central Life's consistently excellent record of Safety, Service and Strength through six decades.

... a reputation maintained by Central Life's progressive leadership.

Over \$400 Million in force.

Central Life ASSURANCE COMPANY

Sales Ideas That Work

Palo Pru Star Says:

'Stand at Street Corner: Anybody Who Doesn't Go by in a Hearse Is a Prospect'

NEW YORK—"How do you prospect? Stand on a street corner: Anybody who doesn't go by in a hearse is a prospect. It helps if you know them. But suppose you don't: Is there any harm in striking up a conversation?"

That formula drew the intended laughter at the New York City sales congress when it was offered by Umberto Palo, Prudential agent in South River, N. J., who paid for \$2½ million his second year in the business to lead Prudential country-wide. Yet this system is only a slightly exaggerated version of Mr. Palo's direct, friendly approach.

"I talk life insurance wherever I'm at—hotel, lunch wagon, or anywhere else," he said. "It's easy to believe that he does precisely that and sells a lot more life insurance than by relying on fancier prospecting systems. Moreover, if anybody could lead a major life company in his first year, it's not hard to understand why it could be Bert Palo. Muscular in build, he's charged with dynamic energy and obvious missionary zeal for selling life insurance. He's a former athletic coach and, 'many, many thousands of dollars ago,' a high school teacher, too.

Much of Mr. Palo's success is obviously due to his great natural aptitude. Like a great natural athlete, his technique is easier to describe than to copy. However, he had some good pointers for his sales congress audience.

For example, Mr. Palo has a stock question that he uses as an approach: "Can you save \$100 a week?" He says he doesn't know what he would do if some prospect should say yes, but it is surprising how many will at least concede they would save \$10 a week, and that is a \$520 premium. He has worked this question successfully from coast to coast.

On a trip to Miami, for example, he went to lunch at a restaurant with an agent friend who had been going there for several years. The friend couldn't understand how Mr. Palo found prospects so readily.

Mr. Palo turned to the waitress and said, "I can set up a plan for you that is out of this world if you can save \$100 a week." She finally said she could save \$10 a week. Mr. Palo turned the case over to his friend to follow up.

His whole-souled belief in life insurance as "the finest product ever conceived by the mind of man" is obviously a constant inspiration to Mr. Palo. It's not lip service, for everything he does is consistent with that belief.

"If you believe that, too, have you bought all the life insurance you can afford?" he asked his audience. He hazarded the guess that a good job of programming would result in the sale of at least \$5 million more among his listeners.

"After you've bought all you can afford, then buy some more," he urged.

"That'll make you go to work to make the money to pay for it. Then, when the prospect says he 'can't afford it' you can say, 'neither can I, but I bought it, anyway.'"

In no other way can a man make so much money and do so much good for humanity as he can in selling life insurance but at the same time it is the toughest selling job in the world because a man is being asked to pay hundreds or thousands of dollars for a piece of paper, said Mr. Palo. The agent has got to make the piece of paper live. He should stop talking about dollars and benefits and instead sell food, education, peace of mind and above all the security that everybody is looking for.

"Why not sell to friends and relatives?" Mr. Palo demanded. He pointed out that if life insurance is so wonderful, these are the people who ought to be helped to see its worth. He recalled going through his Christmas card list and counting five persons who had died since the previous Christmas . . . not one of them had he tried to sell life insurance to.

Very much by design, Mr. Palo is a one-interview salesman. His reasoning is that if you have got the prospect up to the point of saying yes or no, why give him the opportunity to talk to a brother-in-law or uncle who may throw cold water on the deal?

Remain as relaxed as possible, he advised. The agent should always consider that he is doing the prospect a favor even if he buys the policy, rather than doing himself a favor. "If you let the prospect feel that the sale will mean something to you, you're dead," he said. Let him feel it's good for him. Stay relaxed. Don't get frustrated. Keep yourself under low pressure. Don't fight with him.

"Once you've presented your program, shut up! How are you going to find out what he's thinking unless you give him a chance to talk? Sit back, light a cigarette, and wait till he gets through talking."

Whenever it's at all possible, Mr. Palo makes his sales talk to the husband and wife at the same time, figuring that if he talks to the husband alone first, that only gives the wife a chance to unsell her spouse. He has a good technique for preventing the wife from making the decision.

When the husband asks his wife, "What do you think, dear?", Mr. Palo quickly breaks in and asks her not to answer the question. He explains that if she says yes the husband may years later, when he is on his sick-bed, think that his wife is just interested in his insurance. But if she says no to the insurance and then he later dies, "as he surely will," the widow will be responsible to the children.

"So please don't answer," he pleads. "Let him answer. After all, when he married you, he took a vow to support you, even beyond the grave."

How many times should the agent ask the prospect to buy?

"Count up all the times he says no and add one," Mr. Palo advised.

Many agents have testified that it wasn't until their first death claim that they got the emotional conviction about life insurance that made them really effective. Mr. Palo had such an experience right at the start of his selling career.

A friend who was sales manager at an automobile agency kept putting him off. He had \$3,000 invested in

stocks and as soon as they came back to what he'd paid for them he promised he would sell the stocks and buy the policy. The man was 47 years old and had a wife and five children.

Mr. Palo began to think he was getting a permanent runaround but one day his friend told him he was ready to buy and to come back to see him Monday. He did come back to see him Monday—but the friend was lying in his casket.

"I'd let that man put me off," said Mr. Palo. "I stood for an hour beside the casket, and I guess the whole history of life insurance went through my mind."

Because of lack of life insurance the widow had to break up the home, and the two older boys had to go and live with relatives. In the automobile sales agency where her husband had formerly been sales manager, the widow succeeded in getting job—scrubbing the floors.

Sale of A&S with Life, Market Analysis, and Agents' Taxes Stressed at Congress

A&S should be sold along with life because both will open doors and, together, will make more money for the agent, Arnold E. Anderson, supervisor of the A&S sales department of New York Life, advised Brooklyn branch of New York City Life Underwriters Assn. at the branch's sales congress.

Good prospects for A&S are business men, who need interim income during illness; college students, whose parents already are undergoing extra expense for education; new business men, who have many other expenses in getting started; young men in debt, who need income to keep their possessions intact; the new father; the man with a mortgage on his home; the person living close to his budget; and the widow who has small reserves.

A&S is as good a door opener as life, even for cold canvassing, Mr. Anderson pointed out. Failure to ask a prospect if he needs A&S is the same as making up his mind for him. The agent always should try to sell A&S to the life prospect, he emphasized.

There is an ever-present need for A&S. The prospect should be told that people average 17 illnesses in a lifetime. He should be asked how much money he needs as income each week by way of bringing home this point. Also, the major medical field is growing, Mr. Anderson pointed out. And A&S sales pay good commissions.

Roy L. Connor, staff supervisor in the field training division of Metropolitan Life, cited failure to carefully analyze markets as a major cause of limiting earnings. Companies analyze their markets in order to develop new policies to meet competition—and agents must do the same, he said.

There are markets for many kinds of policies, including A&S, in this heavily populated area. Agents should learn all they can about their markets and their policies and, after analyzing the markets, engage in self-development.

Mr. Connor said the many college students and personnel in this area provide a lucrative market. A feature is the fact that students can be seen in daytime and during slack holiday per-

iods. Employes with group coverages in large corporations constitute another good market. If the agent learns what these group plans cover, he may offer to explain the benefits to individuals. In doing so, he may discover the prospects' needs and explain how to meet them through their own personal insurance. A similar approach may be used in the government employes market. Both markets may be entered through analysis.

Because 1956 will be another prosperous year, Mr. Connor said, there are a number of markets offering sales opportunities. Among them are markets for final expense policies, readjustment income, family income, mortgage term, education and business coverages. Agents must perfect and continually use the "plays" that will make more money for them in 1956.

Jesse Fishkin, New York City tax attorney, discussed income tax problems of life agents. He advised agents to pay particular attention to the amount of dividends on their securities which may be taxable, their dependency status, and any contributions toward maintenance of relatives.

The ordinary agent, considered an outside salesman by the 1954 internal revenue act, may take all business deductions due an independent contractor plus the standard 10% from net income. Mr. Fishkin said he understood another interpretation may have been placed on industrial agents' deductions.

He said the ordinary agent may deduct a proportionate part of his rent if he uses a room for an office at home, secretarial help, automobile for business, gifts, entertainment, professional expenses, dues and subscriptions, license fees and travel costs.

Mr. Fishkin gave some tips on conduct at tax examinations. He advised the use of checking and charge accounts and receipts for proof of expenses. The burden of proof of expenses is on the taxpayer. If the examination is not satisfactory, routes of appeal are open, he said.

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March 16, 1958

San Francisco Life Underwriters Mark 50th Year April 5-6

Two events, one on April 5 and the other on April 6, will mark the 50th anniversary of San Francisco Life Underwriters Assn.

A community banquet at the Fairmont hotel April 5 will be co-sponsored by San Francisco Chamber of Commerce, with an attendance of 750 expected. The speaker will be Carl Wente, president of California Chamber of Commerce. General chairman is Henry North, vice-president of Metropolitan Life in charge of the Pacific coast home office.

A sales congress at Marines Memorial theater is planned for April 6. Speakers will include Stanley C. Collins, president of National Assn. of Life Underwriters; Ralph Engelsman, insurance consultant at San Francisco; and Roger Deas, public relations adviser for American Can Co., New York City. Other speakers will be a group of Bay area life men who have written an aggregate of more than \$15 million in the last year. They include Karl Bach, Penn Mutual Life; Edwin T. Golden, New York Life; Wallace Ott, Aetna Life; Jack Vaughn, Metropolitan Life, and Gordon Maxson, Penn Mutual Life.

There also will be a panel on estate planning in which San Francisco area men will participate. They are James Hughes, Equitable Society, moderator; Samuel Taylor, tax attorney; Robert T. Scott, Wells Fargo Bank trust office, and R. Edwin Wood, Phoenix Mutual Life. Mr. Wood commented that there is \$5,880,000,000 of insurance in force in the nine counties comprising the San Francisco Bay area. "This," he said, "is 4½ times that in force in 1940 and 67 times that in force in 1910."

N. W. National Tests Budget Plan

Northwestern National currently is field-testing a premium budget plan. The plan involves monthly billing.



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Three pictured during LIAA's spring meeting at Chicago: Ben F. Hadley, vice-president Columbus Mutual; A. H. Moffat, vice-president National Life of Canada, and Ford Munnerlyn, vice-president American General.



Prudential Transfers Reynaud to Newark

G. Robert Reynaud, associate general manager of Prudential's Houston regional home office, has been promoted to director of methods at the home office at Newark.

Mr. Reynaud, with the company since 1929, has assisted in the administration of personnel, planning and accounting areas at Houston. His new position at Newark will be of a similar administrative nature. Before going to Houston in 1952 he was assistant general manager of the Newark home office.

Washington Nat'l Names C. S. Crawford at Seattle

Washington National has appointed Clifton S. Crawford general agent at Seattle with offices in the White-Henry-Stuart building. Mr. Crawford started in insurance at Seattle in 1952 with Bankers Life of Nebraska after three years of service with the bureau of internal revenue.

Expect 400 at Kentucky Life Agents' Meeting

About 400 life men are expected to attend the annual convention of Kentucky Life Underwriters Assn. at the

La Fayette hotel, Lexington, on April 6. This is the first year the convention is to be held at Lexington, all previous meetings being held at Louisville.

Speakers include Commissioner Thurman of Kentucky; Alden Palmer, chairman of Insurance R.R. of Indianapolis; Thomas B. Rosser, Metropolitan Life, Dyersburg, Tenn.; E. Price Ripley, National Life, Roanoke, Va.; and Tom Collins, publicity director of City National Bank of Kansas City. Prior to the general meeting which starts at noon, Joe Weil, president of the Kentucky association, will preside at a session, with Oren Pritchard, Indianapolis manager for Union Central Life, speaking.

Sales Congress Under Way in Northern California

The 1956 northern California sales congress of California Life Underwriters Assn. got under way March 14 with meetings in San Mateo and San Jose, followed by meetings March 15 with San Francisco and Oakland-East Bay Assns. Other local associations a caravan is visiting include: March 16, Marin county and Sonoma county branches of San Francisco Life Underwriters Assn., and Solano-Napa Counties Assn. at Novato; March 20, Northern California Assn., Sacramento; Central Valleys Assn., Stockton, and Central Valleys and Tulare-Kings county Assns. at Fresno.

Mutual Names Martin "Man of the Year"

Thomas T. Martin, Nashville, has been named "man of the year" among 3,200 agents of Mutual of New York. A sterling silver cup, donated by past presidents of National Field Club, honor group, was presented to Mr. Martin at a conference of home office executives and leading agents at White Sulphur Springs, W. Va.

The award was based on Mr. Martin's work among policyholders and the public, his value to his agency and his participation in national and local associations. Mr. Martin, with the company since 1936, is a member of Top Club Round Table, highest honor group.

CORRECTION

A recent story reporting a series of sales conferences being held this month by Colorado insurance group gave an incorrect figure in recapping the group's 1955 life business. Sales last year exceeded \$100 million, which was a 100% increase over 1954. A sales goal of \$200 million of new life insurance is set for 1956.



Thomas T. Martin, Nashville, is shown (at right) accepting Mutual of New York's "man of the year" award from Jacob W. Shoul, Boston, honorary president of National Field Club, honor group. The award was made at a conference of home office officials and leading agents at White Sulphur Springs, W. Va.



Anne Frimess, Los Angeles, who led Manhattan Life agents in ordinary volume in 1955 with more than \$1 million, is awarded a plaque by Harry Levey, western division superintendent of agencies, at left. Richard M. Grotzen, general agent at Los Angeles, looks on.

FRATERNALS

Modern Woodmen Hits 25-Year High in New Business for 1955

The annual financial statement of Modern Woodmen shows total assets of \$194,928,845, a \$5,012,474 gain for 1955. Of the total, \$131,923,713, or 67.7% is in bonds and stocks. First mortgage loans amount to \$47,997,191, 24.6%. Mortgage investments are represented by 4,603 loans in 27 states with an average of \$10,421.

Reserves are \$155,120,351, with contingency reserves and unassigned funds totaling \$22,714,232, a gain of \$3.5 million. Total income is reported as \$23,696,110 and disbursements, \$21,364,314. Average interest earned on investments was 4.13% with investment income listed at \$7,744,613.

New business for the year totaled more than \$69 million, a 25-year high, with insurance in force increasing to \$577,540,301. Dividends to policyholders were increased more than \$1 million for the year with a 6.6% increase in dividend payments for 1956.

A.A.L. Names Director, Gives New Titles to 6 Field Men

Arthur Kruse of Cleveland has been appointed to the board of Aid Association for Lutherans. He will complete the unexpired term of his late father, Arthur C. Kruse Sr. Mr. Kruse is an executive of Schaefer Body Co., Cleveland.

Six general agents have been appointed regional supervisors. They will serve in this capacity in addition to their regular duties.

They are A. H. Blankenburg, Appleton, Wis.; Henry W. Johnson, Garden City, N.Y.; E.H. Neumann, Lakefield, Minn.; T.L. Precht, Seymour, Ind.; Elmer F. Semrow, Detroit, Mich., and E. L. Weinrich, Rochester, Minn.

Rosenblum Wins Honor

H. L. Rosenblum, director of public relations of Woodmen of the World of Omaha, has received a life membership in Associated Nebraska Industrial Editors. Mr. Rosenblum was one of the organizers and the first persistent of the Omaha chapter. He was editor of the Woodmen's magazine for 20 years and under his direction it won numerous awards for appearance, editorial content and achievement of purpose.

Mr. Rosenblum also is a past president of the press section of National Fraternal Congress and a director of Public Relations Society of America.

Names Chapman in Ohio

Ohio State Life has established an agency at Geneva, O., with Gordon Chapman as general agent. Mr. Chapman has been with the company's Cleveland agency for 10 years and has been one of its leading producers.

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Provident Mutual Cites Leading 1955 Agencies

Provident Mutual Life awarded 1955 agency production and agency building plaques to Thomas F. Irwin, Philadelphia, leader for the year, at a 5-day meeting of General Agents & Managers Assn. in Hollywood, Fla.

Lewis C. Sprague, vice-president and manager of agencies, also presented agency production plaques to Mark M. Moore Jr., Minneapolis; Ralph W. Tipping, Los Angeles; Norman D. Johnston, San Francisco; and Thomas A. Gallagher, Wilmington. Agency building plaques went to John H. Frye Jr., Portland, Me.; Mr. Irwin, Mr. Moore and Mr. Tipping.

J. Henry Hopper, Baltimore-Washington; W. Henry Blohm, Cincinnati; Theodore Widing, Philadelphia; Raymond E. Holway, Rutland, Vt.; and Dudley Clark, Portland, Ore., won agency plaques for excellence in persistency.

Knox Turnbull, Charlottesville, Va., presented a scroll to James H. Cowles, executive vice-president, to mark 1955 sales achievements.

The association elected Lawrence Rotz, Decatur, Ill., president for the year to succeed Mr. Turnbull. Others elected were Paul W. Schenck Jr., Greensboro, vice-president; John N. Savage, Dallas, secretary; Charles H. Everett, Atlanta, and George P. Shoemaker, New York City, advisory council members.

Participants in the sessions included President Thomas A. Bradshaw, Mr. Cowles, Mr. Sprague, Charles E. West, vice-president and actuary, other home office executives, and general agents.

Two to Equitable Salary Savings Field Posts

NEW YORK—Equitable Society has appointed as assistant divisional managers of salary savings Robert T. Gier in the south central department and Orison T. Nebblet in the southern department. They will be at Houston and Richmond, respectively.

Mr. Gier has been with the Embry agency at Kansas City. He joined Equitable in 1952.

Mr. Nebblet joined Equitable in 1948 at the Ferebee agency in Richmond.

Offers Franklin Stock on Monthly Pay Plan

The stock of Franklin Life, an unlisted security, is being made available on a monthly investment plan through William H. Tegtmeyer & Co., Chicago.

Monthly investments from \$50 to \$1,000 can be made for as many shares or fractions of shares of Franklin as the selected amount will purchase. Presently the purchases are made on either the first or 15th of the month.

Hear Estate Talk at Lansing

Correlating life insurance and trusts in estate planning is not a simple matter of following iron-clad rules as there is rarely "an absolute answer and seldom only one answer," Lawrence G. Knacht, Cleveland attorney, told Central Michigan CLU chapter at a meeting at Lansing.

Mr. Knacht pointed out that settlement options in life insurance always are valuable in achieving objectives of the insured. It is important, he emphasized, to correlate insurance and trusts to prevent estate shrinkage which occurs in the cases of most estates.

Lamar Life Reduces Term Rates

Lamar Life has reduced its rates for 5, 10 and 15 year convertible term policies, which are non-participating. Conversion periods for these contracts are 4, 8 and 12 years respectively. Minimum issued is \$5,000.

Mutual of Omaha Study Shows Stomach Ills Increase

Statisticians of Mutual Benefit H.&A. have found that digestive ailments among adults are steadily on the increase. The trend was discovered after compilation of 1,104,142 cases from 1952 through 1954.

The digestive system was responsible for 14.8% of all reported adult disabilities in 1952, the survey showed. By 1954 it had become responsible for 15.9%.

Trends in pneumonia, and influenza and grippe were encouraging. Influenza and grippe fell off sharply in 1954 while pneumonia dropped steadily from 1952 to 1954 as a cause of disability. Appendicitis, too, dropped steadily during the three years.

The figures also revealed that men were troubled more each year by ailments of the kidneys and genitourinary system and the circulatory system.

Manufacturers Life Promotes 4 Actuaries

Manufacturers Life has appointed T. B. Morrison and E. S. Jackson actuaries and J. H. Bell and D. R. MacLeod associate actuaries.

Mr. Morrison joined the company in 1927 and was named associate actuary last year. He has been manager of the actuarial department since 1949.

Mr. Jackson joined the company in 1948 and was named assistant actuary in 1953.

Mr. Bell joined the company in 1929 and was named assistant actuary in 1950. He succeeds Mr. Morrison as actuarial department manager.

Mr. MacLeod joined the company in 1941 and was named assistant actuary in 1951.

All are fellows of Society of Actuaries.

Callahan to Manhattan Life

Manhattan Life has appointed Thomas F. Callahan Jr. as general agent in Phoenix and has named Frank A. Carchedi as supervisor in its Perry agency at Utica, N.Y.

Mr. Callahan has been with Massachusetts Mutual since moving from New York City to Phoenix and before that was convention sales manager of a hotel chain in Latin America. Lloyd A. Fallers, who has been with Manhattan since 1955, has been named brokerage supervisor. The agency has temporary quarters at 1740 W. Thomas road.

Mr. Carchedi has been with the Perry agency since 1951. He is a vice-president of the Utica junior chamber of commerce and state director of the organization.

Hauptman, Baines Promoted

Republic National Life has promoted Ralph Hauptman to assistant secretary and Robert E. Baines to assistant actuary.

Mr. Hauptman, who is in the group department, has been with Republic National for 10 years and has had an insurance career of 18 years. Earlier he was with International Travelers Assurance, which was reinsured by Republic National. Mr. Baines joined the company six years ago.

Franklin Shows Big Sales Gain

New Franklin Life sales, exclusive of annuities, for January and February exceeded \$125 million, a gain of 35% over the same period last year and a company record.

March 16, 1956

Life Stocks Mark Time for First Two Months

Stocks of 20 leading life companies have been marking time for the first two months of this year, according to Morgan & Co. of Los Angeles, life company stock specialists.

Averages compiled by Morgan & Co. showed that the 20 life stocks closed at 194.72 on Feb. 29, compared to a low for 1956 of 183.15 and a high of 199.18 at the beginning of January. The averages showed a net loss of 2.2% in the two months.

A comparison of these averages with prior years singles out the life stock group as a leader in growth potential.

20 Largest Stock Life Companies	Market Worth (Thousands Dollars)	Morgan Averages
June 1, 1939	249,490	11.70
June 1, 1944	315,400	14.50
June 1, 1949	532,980	24.90
December 31, 1953	1,774,070	82.90
December 31, 1954	3,380,400	158.13
July 31, 1955 (High)	4,750,600	221.99
December 31, 1955	4,262,500	199.18
February 28, 1956	4,166,800	194.72

Fete Ellis on 40th

Year with Home Life

Raymond C. Ellis, manager of Home Life in New York City, was honored by officers at a luncheon at the Bankers Club on his 40th anniversary with the company.

President William P. Worthington presented Mr. Ellis a 40-year pin on behalf of the company. Robert W. Brenner, manager in New York City, presented him a commemorative certificate from Home Life Managers Assn.

John H. Evans, vice-president and manager of agencies, was luncheon chairman and presented Mr. Ellis a number of congratulatory letters. Several other executives also attended.

Sumner to Toledo

Penn Mutual has appointed Robert S. Sumner as general agent at Toledo, replacing Raymond M. Donovan, resigned.

Mr. Sumner has been with the Cummings agency at Burlington, where he was a first-year president's club winner. In 1954 he went to the home office as a member of the general agency in-training group. In

Vermont he was a director and treasurer of the Vermont Life Underwriters Assn.

Auto Makers Offer Free Accidental Death Policies to New Car Buyers

American Motors Corp. and Studebaker-Packard Corp. have offered free 1-year accidental death policies for \$25,000 and \$20,000, respectively, to purchasers of their new automobiles.

American Motors will give every buyer of a 1956 Nash, Hudson, Rambler and Metropolitan a policy which will pay \$25,000 for the accidental death of both the purchaser and spouse or \$12,500 for the death of one. The policy, effective from date of original purchase of the car, may be canceled within the year's period only by transfer of auto ownership. American Casualty of Reading is insurer.

The Studebaker policy covers the owner against accidental death while driving, or from an accident involving his Studebaker.

By rulings in 1937 and 1942 by attorneys general, New York State bars the giving of free insurance as an inducement to buy a product, and because it is discriminatory, favoring the purchasers of a product. The earlier ruling cited a stock firm selling securities that offered free life insurance to buyers of the securities.

Jaffee Agency Led Union C&L. for 1955

Leading agencies of Union Casualty & Life for 1955 were Jaffee, New York City; Dorfman, Chicago; Weingarten, Brooklyn; Krauss, Hempstead, N.Y.; Winston, Mt. Vernon, N.Y.; and Cousins & Birnbaum, New York City.

The Jaffee agency won the president's trophy for leading in commissions. The agency builder trophy went to Herman Feingold, assistant general agent of the Jaffee agency, for over-all excellence in recruiting, unit production, sales management and cooperative effort. Harold Goldberg, Krauss agency, got special recognition for qualifying for the 1956 Million Dollar Round Table during his first year in the business.

Carls to Pru Group Job

Prudential has appointed Edward L. Carls district group supervisor at Buffalo in charge of sales and service in 15 counties south of Buffalo and Rochester. He joined the company in 1938 and has been ordinary manager at Syracuse for two years.

Two Join Life of Virginia Board

John S. Alfriend, president of the National Bank of Commerce in Norfolk, and Frank Talbott Jr., chairman and general counsel of Dan River Mills at Danville, Va., have been elected to the board of Life of Virginia.

DIRECTOR OF NEW ORGANIZATION

One of North America's 15 largest life, a & s, and group companies wants a man with life insurance and agency supervision experience not over age 40 to recruit and appoint new agency managers in aggressive expansion program. Good salary and opportunity for future personal growth. Must be willing to travel in U.S. and Canada. Prompt, confidential interviews will be granted qualified applicants. Send complete résumé to Box #K-85, The National Underwriter Co., 175 W. Jackson, Chicago 4, Illinois.

BIG OPPORTUNITY

Agency Department of a young Miami Florida Life Company, very progressive, seeks man between ages 30 to 45, willing to travel six months of the year.

Should have experience selling in the field, recruiting and some sales promotion. Must be Enthusiastic, Determined, Optimistic, Self-confident, and have a burning desire to pay the price for one of the best opportunities offered for a sound and lucrative future. Company already successful with high ambition for future development.

Write giving minimum starting salary, complete background, and why you feel this opportunity is yours. All inquiries held in strict confidence.

Dept. "A", P.O. Box 4980, Miami, Florida

GROUP SALES EXECUTIVE AVAILABLE

Married, age 37, desire position with more opportunity. Sixteen years group sales and supervision with one company. Experienced in agency and brokerage promotion, field office claims' service, advertising, and personnel training. Salary open. Reply Box L-34, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

AN UNUSUAL OPPORTUNITY

Director of Training
An old line legal reserve mutual company located in Midwest has an unusual opportunity for an ambitious, hard-hitting C.L.U., capable of building and directing a company educational program. Write giving background and experience to Box L-31, The National Underwriter Company, 175 West Jackson Blvd., Chicago 4, Illinois.

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Rates—\$20 per inch per insertion—1 inch minimum—sold in units of half-inches. Limit—40 words per inch. Deadline 5 P. M. Friday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER—LIFE EDITION

ACTUARIAL OPPORTUNITIES

Four actuaries, preferably age 25 to 35, are needed by a 50-year-old company now engaged in an intensive program of expansion. All must be Associates or Fellows of the Society of Actuaries. We would like one to have had experience in Group Life Insurance and one with experience in Home Office Underwriting.

Working conditions are of the finest in our new, air-conditioned Home Office. We offer all employee benefits, including liberal group insurance and pension plans. Your reply will be held in confidence. Write, giving personal data and experience, to Box L-40, c/o The National Underwriter Co., 175 West Jackson Boulevard, Chicago 4, Illinois.

OPPORTUNITY IN DETROIT

Our old, firmly-established agency in Detroit with an excellent location and reputation, numerous leads, and active producing agents, needs a qualified manager.

We pay the entire office expense, including clerical salaries, give the manager top compensation plus incentive bonuses, and help finance qualified agents through a liberal financing plan. Federal is a 57-year-old company, offers a complete line of Life and A & H protection, has been operating in the Detroit area for more than 20 years, and is "strong and progressive."

The man we want should be under 40. He should have had experience as an "ordinary" life producer and as an "ordinary" supervisor or assistant manager or feel that he has the ability to manage an agency. Write giving full details (all replies confidential) to:

Emery A. Huff
Vice President & Superintendent of Agencies

FEDERAL LIFE INSURANCE COMPANY

168 N. Michigan Ave.
Chicago 1, Illinois

DEPARTMENT HEAD FOR MULTIPLE LINE INSURANCE COMPANY

Man 30 to 45 able to take over complete management of company operation, including life and accident and health. Must be able to set up procedures of accounting, underwriting, policy issuance and claims. Company is very well financially organized. This position will lead to an officership. Salary is open commensurate with experience and ability. Write complete details in first letter to Box L-28, The National Underwriter, 175 West Jackson Blvd., Chicago, Illinois.

ACTUARY WANTED

The man we are looking for is probably retired. He is experienced in all phases of Life and Accident and Health Insurance. He will be willing to help build a small progressive company. Age is no barrier to employment. Tell us all about yourself in your first letter.

Address:
President, Income Indemnity Insurance Co.
Post Office Box 437
Rockford, Illinois

HOME OFFICE GROUP SALES OPPORTUNITY

Progressive Midwest legal reserve life and A&H Company with rapidly expanding group operations in the United States and Canada needs immediately an experienced group sales and service man age 25 to 35, to assume top level Home Office and field responsibilities in all phases of group insurance. Home Office experience is desirable but not mandatory. Outstanding opportunity for growth and advancement. Salary and supplemental compensation commensurate with experience and ability. Address Box L-12, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

Favors Scratch Agencies for Booming Suburbs

(CONTINUED FROM PAGE 1)

particularly in the early years.

3. If the man put in charge of the new agency outlet (subagency) is not the top man, he is subject to proselytizing by other companies which are willing to make him top man.

4. As the top man, he can install his own philosophy of agency operation, and generally he will be more successful under his own thinking.

5. As top man, he finds it easier to become a citizen of prestige in the community.

6. Some of the items of high expense connected with small agencies are gradually being eliminated with the shift of certain functions to the home office. This trend will continue with automation.

7. On the other hand, certain home office functions are being transferred to the agency level, such as the making of loans and even the underwriting and issuing of small policies. "We see advantages," Mr. Zimmerman said, "in having this done at the agency which writes the business rather than by a mother agency which receives the business from a subagency."

8. Opening small agency outlets provides a training ground and a future promotion pool for managers who qualify for larger agency operations.

9. The average general agent or manager who is running a successful agency today already is finding it difficult to allocate his limited time wisely. It would seem unwise, Mr. Zimmerman said, to burden him with the further responsibility of supervising a subagency. On the other hand, if the manager is not already doing a good job in his present agency, he should not be permitted to have subagencies operating under his control.

10. By starting a scratch agency, as against a subagency, "We avoid the necessity of splitting off business from the mother agency to the subagency at a later time when the subagency becomes an independent unit."

11. If unionization of clerical workers and ordinary agents becomes a real threat in the future, small agencies will be more difficult to unionize than larger groups.

12. Many managers dislike being transferred from one city to another. By starting a scratch agency, the manager knows that he will be permitted to continue in that operation if he is successful and wishes to remain there.

13. The home office can more easily supervise a direct sales office than it can supervise a suboffice.

14. The home office is less vulner-

able in having a larger number of independent smaller agency outlets than it is having a smaller number of large agencies.

15. If it is true that the ratio of profit per unit of production decreases as the agency increases in size, Mr. Zimmerman said, then the manager's incentive for increasing his agency beyond a certain point diminishes.

16. Presumably, the best supervision is that which is given by the top man rather than that which is to be delegated through assistants.

Of course, Mr. Zimmerman said, there are also sound reasons favoring the establishment of subagencies, but he did not discuss them since he said they would be primarily of academic value to the group to which he was talking.

Mr. Zimmerman pointed out that it is in this area of smaller communities that "our smaller companies have in the past enjoyed their greatest success." "You have the opportunity of continuing to hang on to that advantage," he added.

Discussing the movement of population, Mr. Zimmerman said, "It is well known that our cities have grown much less rapidly than have our suburbs. Between 1940 and 1950, Boston suburbs grew eight times as rapidly as did the city. During the same decade, St. Louis had a growth of 6% whereas its suburbs had a growth of 48%. More important, many of these suburbs are shifting from the 'bedroom type' of suburb where people simply live and sleep while they work in the cities to an economically self-contained suburb where people both live and work."

More Companies Record

Best Progress in 1955

(CONTINUED FROM PAGE 4)

climbed to \$2,758,497,787.

Ordinary sales were \$731,017,283, a gain of \$71,062,047, while group sales totaled \$333,591,654 compared with \$407,588,209. Excluding \$227,696,000 of federal group life in 1954 and 1955, net group sales in 1955 were up \$42,307,445.

A&S premium reached a record \$61,951,846, a gain of \$5,179,304.

Benefits payments increased 15% to total \$94,030,472, bringing total benefits paid since founding to \$577,598,622.

PACIFIC NATIONAL LIFE

Stockholders of Pacific National Life at the annual meeting approved a 10-

for-1 stock split. The \$100 par stock now will assume a par value of \$10. The purpose of the split is to allow employees and agents and other small investors to purchase shares.

Insurance in force totaled \$123,651,416 at year-end, a gain of \$10,743,082. Issued and paid for business in 1955 was up 25.8% over the previous year. Assets rose from \$18,755,645 to \$20,826,342. In the past 10 years, insurance in force has more than tripled and assets are nearly four times as great.

The company will hold its 1956 agency convention at Honolulu during June.

PRUDENTIAL

Prudential sales reached an all-time high of \$6,372,000,000, up \$994 million, in 1955. Life insurance in force climbed to \$51,557,000,000, up a record \$5,415,000,000.

Ordinary sales, including the new employee security program for small businesses, totaled a record \$3,631,000,000, up \$744 million. Group life sales reached a high of \$1,438,000,000, up \$268 million. Group A&S sales totaled \$15,840,000 in annual premiums, up \$5,686,000.

The company held its position as the largest producer of individual guaranteed renewable A&S, with annual premiums in force exceeding \$32 million, covering 700,000 persons under 376,000 policies. For the first time, the company issued hospital expense policies to those at the senior ages of 60 to 70 and an income protection policy for women.

The company's assets rose to \$12,521,000,000, up \$784 million.

Payments to policyholders and beneficiaries totaled a record \$1,032,000,000, up \$114 million.

New mortgage loan acquisitions of \$860 million brought mortgage loan holdings to \$5,246,000,000, up \$731 million. The mortgage loan account represented 41.9% of assets.

A gross bond and stock investment of \$539,813,000, excluding temporary investments, brought the total book value of this type of holding to \$5,865,000,000, up \$333 million. Practically all of these investments were in securities to meet the growing needs of industry.

The rate of investment earnings before federal income taxes was 3.62%, up .04%. The rate after taxes was 3.37%, up .01%.

UNION CASUALTY & LIFE

Union Casualty & Life of Mt. Vernon, N.Y. showed an increase in insurance in force during 1955 of 14.7%, to reach \$479,923,764. Ordinary paid business was \$19,444,988, up 61%. Individual A&S premiums were \$242,316, up 34.5%. Capital and surplus, \$1,134,198, increased 9%, and assets rose 49.9% to reach \$5,002,545.

Mich. Actuaries Mark 25 Years

Michigan Actuarial Society marked its 25th anniversary with a meeting at Detroit. Speaker was Professor Harry C. Carver of the mathematical department of the University of Michigan, a charter member of the society. John J. Schonenberg, Michigan Hospital Service, society president, presided, and Joseph E. Reault, Community Life, was program chairman.

CORRECTION

It was erroneously reported in last week's issue that Washington National declared a cash dividend on its capital stock. There has been no change in the payment date of Washington National dividends.

President Signs Life Company Tax Measure

(CONTINUED FROM PAGE 1)

payment is later found to be less than the amount due as a first installment on the tax eventually decided upon in Congress, 6% interest will be added. To the extent that the estimated payment exceeds the total tax later found to be due, the overpayment will be refunded with 6% interest paid by the government. Even though the taxpayer does not intend to elect to pay the tax in installments, the 6% interest on underpayments will apply only on the basis of the amount due on an installment basis."

ALC and LIA pointed out that although the Treasury Department is advising the life companies through the issuance of a press release that they should file applications for an extension of time, the Secretary of the Treasury under law has no authority to suspend interest on underpayments of estimated taxes.

The ALC and LIA have also distributed to the companies an unofficial tax calculation sheet to facilitate computation of taxes due. However, this calculation sheet has been prepared for the guidance of the companies only, and it cannot be used as a substitute for a tax return.

Pacific Mutual Plan for Mutualization Passes Test

(CONTINUED FROM PAGE 4)

participating life policyholders, under an agreement which was approved by the California superior and supreme courts as well as by the U.S. Supreme Court.

Under the terms of this agreement, stockholders of the old company had a period of 10 years in which to make good the deficiencies under the non-cancellable contracts. The stockholders never exercised this option, and when, under the terms of the agreement, the time was reached when the company's life policyholders had the legal right to ask for mutualization, they did so.

Under the company's new management, as operations became increasingly prosperous, substantial restorations were made to the holders of the non-cancellable disability policies, which in 1936 had been scaled down as to benefits on a basis consistent with the original premiums, which were not increased. As of March 31, this year, 78% of these benefits with interest will have been restored at a total cost to the present company of \$23 million.

The mutualization plan was developed over a three year period beginning in 1946 by a group of outstanding insurance and financial experts, and was subsequently approved by the California insurance commissioner after an extensive public hearing during 1950, and then additionally by the various courts.

Needed: Bushelbasket to Collect This Premium

Vern Woodrum, a member of the Akron agency of Ohio State Life, recently received an application for a \$5,000 retirement income policy, with a quarterly premium of \$107.50. Mr. Woodrum asked for the first quarter premium. At first the applicant said he did not think he had that much money in the house. He excused himself but later returned with the \$107.50, all in pennies.



Participants in LIAMA's agency management conference at Chicago: Lee Cannon, vice-president of Western Life of Montana, conference chairman; Kenneth D. Hamer, vice-president Pan-American; Norman T. Carson, vice-president Security Mutual of New York, and Harry S. McConachie, vice-president American Mutual.



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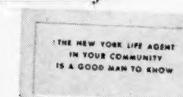
For example, he should know that selling is only part of an agent's job. Mainly, he's a thoroughly trained advisor—an expert on some of the problems that most profoundly affect our lives. The product he offers, purely and simply, is financial protection. His mission is to help families achieve security—both now and for the long haul.

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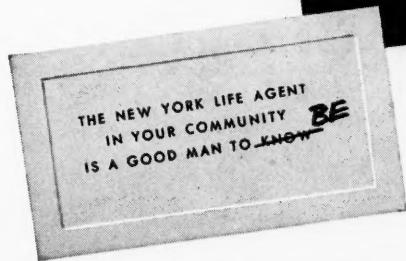
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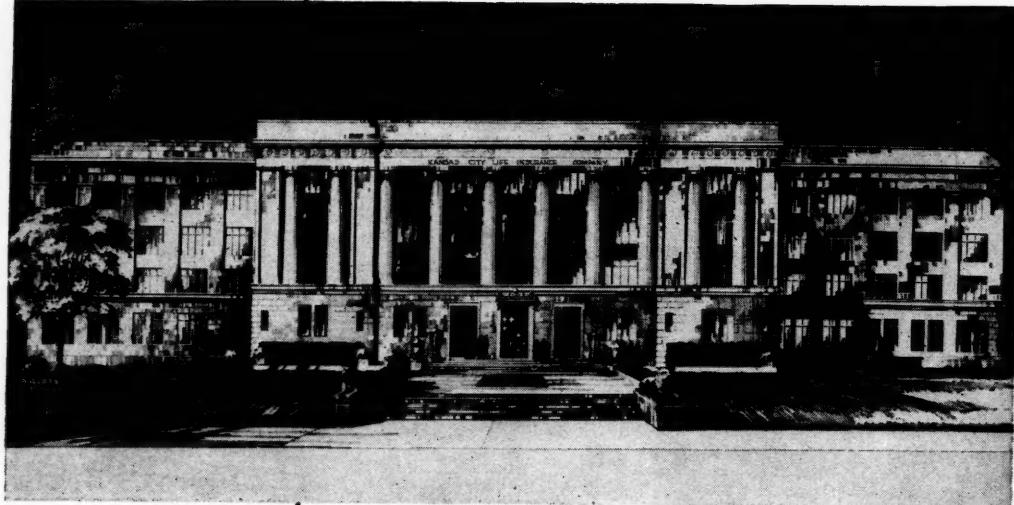
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an architect's conception of the home office
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evidence of growth

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amount paid to policyowners . . . \$ 284,751,946

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